# Daily Report

# Latin America

FBIS-LAT-94-054
Monday
21 March 1994

# Daily Report
## Latin America

*FBIS-LAT-94-054* *21 March 1994*

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## OAS Secretary: Cuba's Readmission 'Must Be Considered'

*PY1903200294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1549 GMT 19 Mar 94*

[Text] Buenos Aires, 19 Mar (NA)—OAS Secretary General Joao Baena Soares said that the most disquieting issue for the OAS is "persistent extreme poverty" and that Cuba's readmission to the OAS "must be considered."

Baena said: "Issues such as the gap between those having too much and those having nothing and the lack of equal opportunities must be addressed to consolidate democracy."

He said: "I have noticed that there is growing awareness of this problem among governments, which appear to have the political will to address it in an orderly fashion."

Commenting on Cuba's readmission to the OAS, Baena said the issue "is generally discussed in the hallways" of the OAS.

Baena noted that there are two positions on the subject: On the one hand, there are those contending that "the time has come to review the situation," while on the other there are governments, such as that of the United States, that "contend that first there must be internal changes in Cuba before reconsidering its readmission."

Baena said he is in favor of revising the Inter-American Reciprocal Assistance Treaty (TIAR), which was unsuccessfully invoked by Argentina to obtain U.S. help during the Malvinas War.

Baena, who is a Brazilian diplomat, added: "Just as the OAS amended its charter three times during the past 10 years, it is necessary to revise the TIAR, which was signed under very different circumstances than those prevailing today. We must give new answers for new circumstances."

## Rio Group To View OAS Secretary General Election

*PY2003210594 Madrid EFE in Spanish 1859 GMT 20 Mar 94*

[Text] Brasilia, 20 Mar (EFE)—The foreign ministers and government delegates of the 13 Rio Group countries on 21 March will open in Brasilia a 48-hour meeting that will serve to sound out their preferences in the election of the next OAS secretary general.

The meeting will be held on the eve of the 27 March vote in Washington, at which the continent's 35 foreign ministers will choose the replacement for Brazilian diplomat Joao Baena Soares as OAS secretary general.

Venezuelan Foreign Minister Miguel Angel Burelli—who is one of the three candidates for the post—will attend the three work sessions of the ministerial meeting, which will be held on 21 and 22 March at Itamaraty, the Brazilian Foreign Ministry headquarters.

The other candidates are Colombian President Cesar Gaviria and Costa Rican Foreign Minister Berns Niehaus.

Even though it is not on the meeting's agenda, the OAS secretary general's election will be discussed in the corridors and even during formal sessions, which are flexible and during which any delegate can raise an issue, diplomatic sources told EFE.

Brazil, the country that hosts the meeting in its capacity as holder of the annually rotating secretariat of the most important Latin American political forum, supports Gaviria and is confident he will win, a high-ranking Itamaraty official told EFE.

Gaviria should win, despite the fact that "the situation has not yet reached a definitive status," he said.

The majority of Rio Group countries that referred to the matter—Argentina, Brazil, Colombia, Brazil, Peru, and Mexico—support Gaviria.

The Costa Rican candidate has assured that he has the support of the Caribbean and Central American bloc, while the Venezuelan candidate has called on his two opponents to hold a television debate to be aired to the entire continent for the purpose of outlining their positions toward the OAS.

The winner of the 27 March vote will be installed during the OAS general assembly to be held from 5-10 June in the Amazon city of Belem do Para (northern Brazil), the hometown of Baena Soares, a former Brazilian deputy foreign minister who has held the OAS secretariat for two consecutive five-year periods since 1984.

The Rio Group ministers and government delegates will address various international issues dealing with commerce, disarmament, UN bylaws' reform, the environment, the antinarcotics fight, democracy, human rights, and initiatives to end the military regime in Haiti.

They also will exchange views and seek a consensus on the position of Latin American governments on a continental summit called by U.S. President Bill Clinton for December in Miami.

The ministerial meeting will coincide with the official visit of 5.5 hours that U.S. Vice President Alberto Gore will pay to Brasilia on 21 March with the objective of promoting the continental summit with Brazilian President Itamar Franco.

Gore today began in La Paz a short tour of Latin America that will include stopovers in Buenos Aires and Brasilia.

Meanwhile, Trinidad and Tobago Foreign Minister Ralph Maraja and Jorge Gordillo, one of Peru's deputy foreign ministers, already have arrived in Brasilia to attend the Rio Group meeting.

Foreign Ministers Celso Amorim (Brazil), Antonio Aranibar (Bolivia), Miguel Angel Burelli (Venezuela), Luis Ramirez Boettner (Paraguay), Manuel Tello (Mexico), Gladys de Vielman (Guatemala), Carlos Figueroa (Chile), and Sergio Abreu (Uruguay) have confirmed that they will attend.

Other delegations scheduled to arrive today or on 21 March will be headed by Argentine Deputy Foreign Minister Fernando Petrella and Colombian Deputy Foreign Minister Andelfo Garcia, while Ecuador will be represented by its ambassador in Brasilia, Cesar Valdivieso.

## United Workers Union Opposes Gaviria Candidacy

*PY1803213794 Asuncion ULTIMA HORA in Spanish 18 Mar 94 p 27*

[Text] The United Workers Trade Union Federation (CUT) has come out against the candidacy of Colombian President Cesar Gaviria to become the OAS secretary general. The CUT also asked the government not to vote for Gaviria because this organization believes human and union rights were systematically violated during the Gaviria administration.

The CUT and the international organization to which it is affiliated, the ICFTUO [International Conference of Free Trade Union Organizations], said that during President Gaviria's four-year administration the cases of human rights violations, far from decreasing, increased. The CUT sent a letter to Foreign Minister Luis Maria Ramirez Boettner stating its disagreement with Gaviria's candidacy.

The letter says: "We have proof that the personal position of President Gaviria and his government has been of indolent indifference to these events. The Colombian union movement is among those that have paid with their lives for their action in defense of workers. Colombian and international human rights organizations have pointed out that in a significant and alarming number of cases the alleged people responsible for the violations were members of the Armed Forces and state security organizations."

The letter adds that the seriousness of Colombia's situation has led the ICFTUO Human and Union Rights World Committee to dedicate to that country its first campaign, which is now being prepared. The CUT letter adds: "Therefore, we would like to request that Paraguay not vote for that candidate. The OAS is a valuable organization that cannot stain its prestige. It must be led by an individual who has not been questioned on an important issue such as human and union rights."

The letter sent to the foreign minister is part of a continental campaign by the international union movement. The letter concludes by saying: "It is an effort to prevent an individual under whose administration human rights were violated many times from being elected."

## President Menem Closes OAS Security Seminar

*PY2003215894 Buenos Aires CLARIN in Spanish 19 Mar 94 p 14*

[All quotation marks as published]

[Text] President Carlos Menem on 18 March said: "If we want to move forward in the area of security and confidence in order to consolidate peace, it is essential to attack the scourge of poverty." He also emphasized his concern "about the misery that is the result of the lack of jobs." He made these remarks in a speech he delivered at the closing session of a meeting of OAS specialists who addressed measures of confidence and security.

Menem also praised Brazilian Joao Banea Soares, the outgoing OAS secretary general, who in his speech emphasized the devotion to peace of the region's countries, highlighting the example of Argentina, Chile, and Brazil, which signed agreements establishing nuclear controls and banning chemical weapons.

In referring to Baena Soares' speech, Menem said: "Those agreements should serve as guidance for future steps we can take regarding our relations."

The president previously emphasized that in regional integration efforts, diplomacy plays a major role, adding that there is "cooperative diplomacy," along with "preventive" diplomacy "to prevent confrontations that can be irreversible and irreparable."

Menem also admitted that in the continent "there are some minor conflicts, but which are conflicts nonetheless," noting that "we should tackle them in order to solve them." As an example to be followed, he mentioned the recommendations of the OAS meeting's final document, which covers matters referring to cultural, educational, and military affairs.

### Recommendations

The conclusions of the specialists' deliberations were considered "modest" but predictable within the path toward designing a new security system for the region, sources consulted by CLARIN said.

The six-point document states in point three that it is necessary "to recommend that member countries regularly communicate to the appropriate OAS offices about the implementation of measures to promote confidence."

Specialists have said that this point, especially the periodical nature of such communications, is the beginning of a system of consultations. This is one of the most significant matters approved on 18 March.

Likewise, the OAS Special Hemispheric Security Commission (presided over by Argentine Ambassador Hernan Patino Mayer) was urged to continue with the examination of measures for strengthening confidence, "and among

others, the measure regarding the peaceful settlement of controversies and the prevention of conflicts."

This is different from an Argentine proposal to create a permanent center for the prevention of conflicts. It was not possible to establish a mechanism for regular defense ministers meetings either. However, a new meeting was set for 1995 in Chile.

## OAS Secretary Discusses Antidrug Topics on Agenda

*PY1903195094 Buenos Aires CLARIN in Spanish 18 Mar 94 p 11*

[Text] Joao Baena Soares, the Brazilian secretary general of the OAS, said on 17 March that the possibility of an armed forces' participation in the antinarcotics effort "had not been requested by the United States through the OAS, and the idea had only been placed under discussion."

Baena Soares added that the possibility of including drug trafficking on the agenda of the meeting he will hold with President Carlos Menem and Foreign Minister Guido Di Tella on 18 March "depends on the decision" of Argentine officials.

As to armed forces' participation in the antinarcotics effort, he said: "It is up to each country to decide about that because several countries believe this is a task to be fulfilled by police."

The OAS has a special commission to deal with this issue, and Baena Soares said he is in favor of "concentrating efforts to reduce demand for drugs."

He said: "To reduce this demand means to educate and rehabilitate drug addicts and reinstate them into society."

At 1030 today, Baena Soares and Menem will attend the ceremony closing the OAS experts' meeting that has been discussing the guidelines of a new security system for the hemisphere that can adapt to the changes that have been occurring in the international political scene.

On 17 March, Menem received from the Panamerican Foundation for Development the Inter-American Leadership Award for 1994. President Menem was decorated in the presence of Baena Soares. Thanking him for the honor, Menem said he was proud to have "brought peace" to the country by granting presidential pardons.

At the end of the 17 March meeting, four basic points to be included in the final document were established. This final document will officially be released at the end of the experts' meeting that started 15 March.

According to a proposal made by a U.S. delegation member, the OAS might establish "a center for the solution of conflicts" occurring in countries on the American continent, and a mechanism to bring together OAS member countries' defense ministers similar to the one that institutionalized the foreign ministers' conferences. It was established during the meeting that the Inter-American Defense Committee should advise the OAS political organizations, and that the Inter-American Defense College should cooperate in reorganizing a security system for the continent.

## Multinational Drug Enforcement Operation Described

*PY1803190994 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Mar 94 p C1*

[Special report by Katia Brasil from Manaus, Brazil]

[Text] The Manaus Federal Superintendency will implement Operation Blockade [Operacao Bloqueio] using an intelligence network [rede de informacoes] that involves the Armed Forces of Brazil and of its neighboring countries, federal agencies, fuel distribution companies, and some 200 federal policemen. The objective is to join forces against drug trafficking along the Amazon border region and get Brazil off the UN list of countries used as transit routes by drug cocaine.

Brazilian Federal Police Superintendent Mauro Sposito has said the strategy of Operation Blockade was discussed with Venezuelan, Peruvian, Colombian, and Bolivian military leaders during the Sixth Military Exchange meeting last week. So far only Brazil and Venezuela have formally agreed to participate. These two countries are at the start of the cocaine route that begins in Colombia and ends in the United State and Europe. The Colombian Army could lend its support to this project. Sposito said this will be essential if the operation is to be successful.

Operation Blockade will be conducted on four fronts. First, Tabatinga and Manaus river police patrols will intercept the cocaine that is shipped by the Amazon River. Second, enforcement actions in Colombia will be monitored. Third, flights of aircraft will be placed under surveillance: With the help of the Air Force, the Brazilian Petroleum Corporation, ESSO, and Shell, the Federal Police will control the air space thus repressing traffickers who move cocaine by air.

The fourth front has been in action since November: Radio frequencies used by drug traffickers are being monitored from Tabatinga and Tefe. This led to the arrest of two drug bosses in Belem.

## Venezuelan Plans To Quit Parlatino Denied

*PY1803231994 Madrid EFE in Spanish 0142 GMT 18 Mar 94*

[Text] Sao Paulo, 17 Mar (EFE)—Argentine Senator Luis Rubeo, secretary of the Latin American Parliament [Parlatino] committees, on 17 March dismissed rumors spread from Venezuela that the Venezuelan Congress might not join Parlatino, which groups 22 countries in the region.

Asked about the absence of Venezuelan deputies during the committee meetings being held at the Parlatino's permanent seat in Sao Paulo, Brazil, Sen. Rubeo said: "This is a natural consequence of political readjustments that occur after new officials are elected."

The Venezuelan congressmen who are members of the Parlatino committees could not travel to Sao Paulo because President Rafael Caldera's Convergence Party, which recently became the ruling party, demanded a revision of all international activities by the Venezuelan Congress. As a result, the deputies' trip was not authorized.

Rubeo said: "We support the winds of austerity blowing in the brotherly country, but we are sure that Venezuela will not give up the privileged positions it has won in the international community thanks to its fervent effort to support continental integration."

"Through me, Parlatino urges the Venezuelan congressmen to continue participating in this task aimed at drafting programs that will end hunger and inequalities in the continent," Sen. Rubeo said.

Venezuelan Deputy Henry Bencid, Parlatino vice president for Venezuela, said in Caracas on 16 March that his country risks staying out of Parlatino because "Convergence opposes Congress complying with its international commitments."

According to Bencid, who is a leader of the opposition Social-Christian Party [COPEI], Convergence's attitude results from a "misunderstood" position of austerity, which has been announced by the new administration.

The Venezuelan deputy asserted that a revision of the Venezuelan Congress' international activities, as demanded by President Caldera, might imply derogation of the law that approved Parlatino's institutionalization.

Bencid said that if this occurred, the Venezuelan Congress would have to quit Parlatino and lose the benefits granted by it.

Currently, several Venezuelan congressmen occupy important positions in Parlatino. The president, for example, is Social Democratic Action Party Deputy Humberto Celli, and the vice presidents of three committees are Venezuelan deputies.

## Parlatino Installs 3 New Committees

*PY1903183994 Madrid EFE in Spanish 1718 GMT 16 Mar 94*

[Text]] Sao Paulo, Brazil (EFE)—Upon installing three new Parlatino [Latin American Parliament] committees today,, Senator Luis Rubeo stated that Latin American countries must learn to negotiate and to impose their competitive advantages.

Only iin learning how to negotiate at the regional level, the Argentine senator said, will Latin American nations have tlhe opportunity to "impose their rights and defend their production," including in a general manner the possibility of joining a free trade agreement, which should include not only North America, but all the Americas.

"It is necessary for Latin America to elevate the sights of its negotiating capability when it is a question of imposing its rights and defending its regional production, where financial flows have the advantage over the flow of trade products," Rubeo added.

"It is necessary," he added, "for Latin America to impose its competitive advantages in continuing the fight for our rights to trade regional production, without obstacles, in order to correct the region's trade imbalance, which continues to be financed with foreign debts."

"The eventual joining of a more ample integration process that would link the entire American continent in the immediate future, for example the economic area that has been created by NAFTA, requires a capability for negotiations that can only be acquired at a regional level," he said.

Rubeo termed encouraging the advances in the negotiations to bring in line the Andean Group, the Group of Three, the Latin American Economic System, and the Common Market of the South (Mercosur).

The Argentine senator presented his discourse to some 30 congressmen from the 24 countries making up Parlatino, who began their meeting today to begin the work of the three new committees. The meeting, which is being held at the organization's permanent seat in Sao Paulo, will conclude 18 March.

With the installation today of the Subregional, State, Municipal, and Provincial Affairs Committee; the Economic Affairs, Finance, and Foreign Debt Affairs Committee; and the Social Debt Committee, Parlatino now has 16 functioning committees.

According to Rubeo there are now only two of the 18 committees left to be installed, while the Narcotics Committee has progressed most in its tasks.

This committee has already prepared an extradition and repression treaty against illegal chemicals (precursors for the manufacture of drugs), which must be studied and voted on by the congresses of all Latin American nations so that it can be implemented.

In his address Rubeo referred to the adverse social economic conditions that are being experienced by Latin America, which are a threat to democracy.

The Argentine senator stated that the institutionalization of regional integration into trade blocs "expands the support bases of our democracies, and creates power resources for each subregion and for Latin America as a whole."

## Nicaragua Appoints Permanent Observer to Parlacen

*PA1903123194 Panama City ACAN in Spanish 2341 GMT 17 Mar 94*

[Text] Guatemala City, 17 March (ACAN-EFE)—The Nicaraguan Government today appointed its ambassador to Guatemala, Mauricio Diaz Davila, as permanent observer to the Central American Parliament (Parlacen).

Salvadoran citizen Jose Francisco Guerrero, president of the Parlacen, explained that the diplomat's appointment is temporary until Nicaragua, which has already ratified the charter for this regional forum, elects its 20 representatives.

He added that Nicaraguan Foreign Minister Ernesto Leal notified him in writing of Diaz' appointment as permanent observer, given "the importance of Parlacen meetings."

The Parlacen was created three years ago as a regional forum to discuss the area's political, economic, and social issues. So far only Guatemala, El Salvador, and Honduras have appointed representatives, while Costa Rica and Panama have yet to ratify the charter.

## Gore Visit Prompts Postponing Pilcomayo Summit

*PY1803145194 Asuncion ABC COLOR in Spanish 18 Mar 94 p 8*

[Text] The meeting that had been scheduled for 20 March in Formosa, Argentina, among Paraguayan President Juan Carlos Wasmosy, Argentine President Carlos Menem, and Bolivian President Gonzalo Sanchez de Lozada has been postponed. The decision was prompted by the fact that Sanchez de Lozada could not attend the meeting, because he is scheduled to meet in La Paz with U.S. Vice President Al Gore on that day.

The three presidents had been scheduled to meet on 20 March to discuss the Pilcomayo River issue. Yet the above problem has forced a postponement of the "mini-summit" to a later date.

During Sanchez de Lozada's recent visit to Asuncion, Bolivian Foreign Minister Antonio Aranibar Quiroga noted that the Formosa presidential summit might be postponed. It was confirmed yesterday at Lopez Palace that the meeting has in fact been postponed.

## Cuba

### Gore's Removing Coca Leaf Necklace Viewed as 'Snub'

*FL2103021894 Havana Cuba Vision Network in Spanish 0100 GMT 21 Mar 94*

[Text] U.S. Vice President Al Gore removed a coca-leaf necklace that had been placed in homage around his neck upon his arrival at the airport in La Paz, capital of Bolivia. The incident was interpreted by Bolivian radio as an inadmissable snub, a grave insult to Bolivia, because the coca leaf is considered an element of the national culture.

The U.S. vice president's attitude is due to Washington's position that the origin of the drug-addiction problem affecting U.S. society lies in the existence of the coca leaf.

The coca leaf has been consumed for centuries for beneficial purposes, but now the U.S. is trying to bring about the total elimination of the plant.

### U.S. State Department 'Threatens' Traders

*PA1803142294 Havana Radio Havana Cuba in Spanish 1300 GMT 18 Mar 94*

[Text] In the Argentine city of Mar del Plata, Cuban Vice President Jose Ramon Fernandez has charged that the U.S. State Department has circulated threats against businessmen who intend to trade with Cuba. After calling the blockade the U.S. maintains against Cuba for over three decades criminal, Fernandez said that, despite those pressures, every day there are more and more foreign investors, particularly in tourism and petroleum exploration. Fernandez was attending a Panamerican Sports Organization meeting in Mar del Plata.

### Castro Meets With Friendship Caravan Members

#### Meeting Not Scheduled

*FL1803145194 Havana Radio Rebelde Network in Spanish 1255 GMT 18 Mar 94*

[Interview with Lucius Walker, head of the Pastors for Peace Movement, and Raul Suarez, president of the Martin Luther King, Jr., Memorial Center, by Roberto Cavada, Carlos Sanabria Marrero, and other Radio Rebelde reporters on the "Doing Radio" program on 18 March—live, with passage by passage translation from English into Spanish and from Spanish into English by single translator; Walker transcribed from the English]

[Excerpt] [passage omitted] [Sanabria] I wanted to know if we can expect another visit by you to Santiago de Cuba during the fourth caravan in November.

[Walker] [Esteban] Lazo was very clear that he had already made a democratic decision. He told the journalists to go away, and he said to Claridad [not further identified] and to Raul Suarez that he wanted to share something with them in a very democratic way, and then he said: The next caravan is going to Santiago de Cuba [in a loud voice and pounding on the desk]. [chuckles] Well, I think if you have ever seen and listened to Lazo, you will understand that no one disagrees with Lazo. So I think we must go back to Santiago. Besides, I have a key to the hotel.

[Sanabria] I am sure it would be good news for the people of Santiago de Cuba if the ship with the next donation would dock at the port of Santiago de Cuba as comrade Lazo has requested. What do you think?

[Walker] Well I think Raul Suarez is here. We should put him on the spot and let him answer that question.

[Suarez] Well, according to Lazo that is also possible. On our side, I do not think there would be any problems with that. Santiago de Cuba is a city that really deserves it. The people would get together to welcome the boat and to turn this event in a beautiful exhibition of the patriotic fervor which is typical of the people in Santiago de Cuba.

[Sanabria] I wanted to tell Reverend Suarez and Reverend Walker that I as well as the rest of the people in Santiago de Cuba am very enthusiastic about the news. I believe all the people in Santiago are hearing about this and feel very emotional that the fourth caravan of friendship by the Pastors for Peace will dock in Santiago de Cuba.

[Cavada] We want to thank our reporters Carlos Sanabria Marrero and Zenaida Costales. I just want to know when the pastors are leaving and when you return to the United States?

[Walker] On Saturday.

[Cavada] Do you have any scheduled meetings with Cuban President Fidel Castro?

[Walker] We have nothing scheduled, but we always have love for Fidel Castro in our hearts, and we know how terribly busy he must be. We will look forward to seeing him in November. [passage omitted]

#### Radio Reports Meeting

*FL1903124194 Havana Radio Rebelde Network in Spanish 1205 GMT 19 Mar 94*

[Text] Commander in Chief Fidel Castro met with members of the Friendship Caravan. During the meeting Reverend Lucius Walker gave an extensive explanation about the organization of the convoy that covered 13 routes through Canada and the United States.

#### TV Broadcasts Meeting

*FL2003234394 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 20 Mar 94*

[Dialogue between Cuban President Fidel Castro and Pastors for Peace leader Lucius Walker at a meeting with

members of the Third United States-Cuba Friendship Caravan on 18 March; place not given; Castro speaks in Spanish with passage-by-passage translation into English; Walker speaks in English with passage-by-passage translation into Spanish—recorded]

[Text] [Castro] What did they seize? A parabolic antenna, a truck? Were you bringing nuclear weapons in them? [laughter] Intercontinental missiles? What was the truck they stopped carrying?

[Walker] The satellite dish is a 10-foot satellite dish, which was regarded by U.S. Customs and those who decide in Washington what should or should not come to Cuba, as very high technology. [laughter] We had two electric typewriters.

[Castro] Did they also seize them?

[Walker] Yes. That is high technology. [laughter]

[Castro] Do they not know we have many power outages, and that it is better to use a manual typewriter?

[Walker] The most interesting item they kept, among those they say we could not bring in, was a small toaster. [laughter] You see, you put the bread in, then plug it in; the bread gets toasted and pops up. A simple toaster—they did not let it through.

When I went to the Sierra Maestra and saw pictures of the first attack, the routes you used when you came down the mountain, and the weapons used to attack the garrison, I decided you must have had soldiers as good as the soldiers of this caravan. They are truly good people. However, the main thing about them is that they are all inspired by the love, revolutionary fervor, and example of solidarity that Cuba provides, and by the heroic leadership of Commander Fidel Castro. [applause]

[Castro] We need to adopt measures to adopt to the circumstances under which we are living. [sentence as heard] Under these difficult circumstances, we need to seek formulas that can help us emerge from this special period but without compromising our principles, without compromising the Revolution, and without compromising our independence. You know quite well that there are values that cannot be lost. [Passage indistinct] even life. [Passage indistinct] for peace because you know that history is full of martyrs. [Passage indistinct] of ideas. This is why we are meeting here. [applause]

We, through resistance, [words indistinct] for the life of ideas, morale under the present situation, struggle, continue working, do not lose our optimism, and trust confidence. We believe that our effort will also be fruitful in the material sphere. This is very difficult because of all these things I have been explaining. Very hard. However, we do not lose hope that we will eventually overcome this. We do not lose our hope of winning. We are willing to resist as long as these blockades last.

What we are saying is easy to say but hard to do because we have to deal with millions of people, millions of human beings who are making sacrifices everyday, suffering everyday; whose morale, commitment, and fighting spirit we must try to keep high. This is why I say that to work and struggle under the present conditions is very difficult.

Someone said that faith can move mountains, and we are witnessing that here. [applause] Faith in what is fair keeps us moving mountains. We shall continue moving mountains. This is the reason for the tremendous gratitude which I, as well as all the people, feel for your efforts and struggle, for your courage and heroism. There is more than physical heroism, there is a type of heroism which is even more difficult: moral heroism.

Inside the United States, you are giving a great example of moral heroism by organizing this movement and waging this struggle. You are fighting at the most strategic site—inside the United States. We also appreciate that you are gaining ground, you are being successful, and are creating a greater awareness of this struggle. You are also writing an unforgettable page in the history of relations between our two nations, in the history of brotherhood between the American and Cuban peoples. In our view, you are the representatives of the best of the tradition, history, and virtues of the American people. It is in this sense that a great mountain has been growing, in this case of love and gratitude for what you are doing.

I did not want under any circumstances to fail to meet with you for a few minutes.

## Further Denials Issued on Guerrillas at 'Summit'

### Government Confirms Denial

*PA1803152494 Mexico City NOTIMEX in Spanish 0142 GMT 18 Mar 94*

[Text] Havana, 17 Mar (NOTIMEX)—Cuba confirmed today its denial of an alleged Colombian guerrilla "summit" in Havana after the government of the South American country stated it had "firm indications" of the encounter.

"It is all false; it is untrue a guerrilla summit was held in Cuba," Jose Ramon Balaguer, who is in charge of international relations of the ruling Communist Party's Politburo, told NOTIMEX.

Colombian Foreign Minister Noemi Sanin said on Thursday in Santa Fe de Bogota she had requested an official explanation from Cuba in light of the "firm indications" she had of the meeting, although President Cesar Gaviria subsequently explained the request was being processed.

President Cesar Gaviria added Colombia's relations with Cuba now depend on Havana's response to the petition for an explanation on the case.

the Cuban Foreign Ministry on Thursday morning denied having received the note mentioned by Sanin.

"We hold in high esteem our relations with Colombia, and in no way could something of that sort have occurred," Balaguer said regarding the alleged meeting.

The political leader said the version of the meeting published in the Colombian daily EL TIEMPO is "an attempt to mar relations" between the two nations, which "were being developed earnestly and can continue to develop."

The media report on a meeting in the Cuban capital among Colombian guerrillas was published five months after the two nations had resumed diplomatic relations.

The media version followed the announcement made by the Colombian Government on negotiations that will lead to the sale of 15,000 to 20,000 barrels of petroleum to Cuba, which for three decades has been under a U.S. trade embargo.

### Castro Denies Colombian Guerrillas Presence

*FL1903123194 Havana Radio Rebelde Network in Spanish 1202 GMT 19 Mar 94*

[Text] During a telephone conversation with Colombian Foreign Minister Noemi Sanin, Cuban President Fidel Castro denied reports from Bogota about a recent meeting held in Havana with Colombian guerrillas. Fidel Castro stated that neither Alfonso Cano, Ivan Marquez, nor Bishop Nel Beltran were present at the solidarity meeting held in Havana on 27 and 28 January as the Bogota newspaper EL TIEMPO falsely reported.

### Colombian Intelligence Denies Document

*PA2003135894 Hevana Radio Havana Cuba in Spanish 1300 GMT 20 Mar 94*

[Text] Brigadier General Fernando Tapia, chief of Military Intelligence Services of the Colombian Armed Forces, has denied the existence of a secret document on an alleged guerrilla summit in Havana, Cuba, in January. The Military Intelligence Services institution has asked EL TIEMPO, a Bogota daily, to explain a report published Friday stating Monsignor Nel Beltran attended the alleged meeting. Gen. Tapia said the newspaper's report is not in line with any document prepared by Military Intelligence Services and therefore such a document could not have been delivered to the media.

## Foreign Minister Robaina Continues Asia Trip

### Meets With India's Singh, Businessmen

*FL1803150094 Havana Radio Progreso Network in Spanish 1200 GMT 18 Mar 94*

[Text] Cuban and Indian Foreign Ministers Roberto Robaina and Dinesh Singh in New Delhi discussed several subjects referring to bilateral issues, scientific and technical exchange, and the situation of the Nonaligned Movement.

During the meeting, the Cuban foreign minister said that there are many links uniting the two nations, which must take concrete steps and find a common space to strengthen commercial relations.

The Indian foreign minister said he has great respect for the Cuban people, and added that, as on previous occasions, his country will continue supporting Cuba in the international forums. He also conveyed his admiration for Cuban progress in the areas of health and education and the country's resistance to current economic difficulties.

Shortly after those talks, Robaina also met with some 60 Indian businessmen at the New Delhi Chamber of Commerce and Industry. During this meeting, the Indian businessmen expressed interest in the possibilities of investmenting in Cuba in the areas of biotechnology, pharmaceutical industry, tourism, textiles, agriculture, and vaccines.

Robaina also participated in an act of solidarity with Cuba when religious groups and other representatives of associations of friendship with our country reaffirmed their support for the Cuban revolutionary process and condemned the blockade.

### Concludes Visit to India

*FL1903182894 Havana Radio Rebelde Network in Spanish 1000 GMT 19 Mar 94*

[Text] Indian Prime Minister P.V. Narasimha Rao met with Cuban Foreign Minister Roberto Robaina. During that meeting in New Delhi, Robaina gave Rao a message from Commander in Chief Fidel Castro, president of the Councils of State and of Ministers. Rao said that his country is interested in strengthening its bilateral relations with Cuba. After his meeting with the head of the Indian Government, Robaina stated that Cuba opposes foreign intervention in India's domestic affairs and highlighted India's important role in the Nonaligned Movement. Robaina concluded his official visit to India and departed for Malaysia as part of his tour through Asia, which will conclude in Vietnam.

### Arrives in Malaysia

*FL1903191894 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Mar 94*

[Text] After arriving in Kuala Lumpur, Malaysia, the Cuban delegation headed by Cuban Foreign Minister Roberto Robaina visited the South Investment, Trade, and Technology Data Exchange Center [SITTDEC] for developing countries of which Cuba is now an official member. Reporter Rey Rodriguez of the information services of Cuban Television has more details:

[Rodriguez] In a news conference held after Cuba's entry into the SITTDEC, Robaina underscored the importance that Cuba's entry represents.

[Begin Robaina recording] We already had an idea of the possibilities offered by the center. That is why we came here to the institution's headquarters, after Cuba's official incorporation. We have had the privilege of becoming the 15th member country, since until recently there were only 14 member countries. In a modest way Cuba has much to offer in many areas such as the medical field, biotechnology, pharmaceuticals, sugar, tobacco, coffee, rum, nickel, and in many things that from an economic standpoint could be useful to several countries. [end recording]

[Rodriguez] Tomorrow, the Cuban delegation is scheduled to meet with Malaysian Foreign Minister Abdullah bin Haji Ahmad Badawi, and the minister of primary industries, as well as a meeting in the Ministry of Youth and Sports due to Malaysia's interest in obtaining Cuban training in that area. The delegation will also meet with a group of businessmen.

On 21 March, the delegation will depart for Vietnam, the final stop of a tour through the Asian Continent.

### Meets With Malaysian Counterpart

*FL2003214394 Havana Radio Reloj Network in Spanish 2030 GMT 20 Mar 94*

[Text] Malaysian Foreign Minister Abdullah bin Haji Ahmad Badawi acknowledged, in a meeting with Cuban Foreign Minister Roberto Robaina, that Cuba is clearly making progress and that under no pretext should anyone exert pressure on that country.

Robaina arrived in the Malaysian capital yesterday from India. In an exchange, his counterpart reiterated that it is the Cubans who alone must determine their fate—an allusion to the U.S. policy against Cuba. The Malaysian foreign minister also expressed his satisfaction with the Cuban Foreign Ministry's new policy of rapprochement with the region, and stressed that he is willing to form a businessmen's delegation to visit Havana over the next few months to increase trade between the two nations.

Robaina agreed with the Malaysian foreign minister on the need to take practical steps toward progress in the world of communication. Robaina said: We are here to learn about and assess the experiences of countries that, like this one, have enjoyed sustained development.

## U.S. Congress Debate on Blockade Reported

### Havana Radio Notes Debate

*FL1803160194 Havana Radio Progreso Network in Spanish 1200 GMT 18 Mar 94*

[Text] Many international news agencies have reported from Washington that scores of influential political figures participated on 17 March in a heated debate at the U.S. Congress on the appropriateness of the United States' maintaining the blockade against Cuba, an anachronism in the postwar era.

The law on free trade with Cuba, a proposal submitted by New York Democratic Party Representative Charles Rangel, with the support of most black and Hispanic congressmen, was the subject that prompted fiery deliberations at a House of Representatives Ways and Means subcommittee.

The Spanish television station Univision last night reported that this subject prompted one of the most bitter debates with conflicting arguments expressed by supporters and opponents of the blockade.

It is time to put an end to the Cold War because 34 years of blockade against Cuba have not yielded the expected results, Rangel said, defending free trade among nations.

His stance was also supported by California Democratic Party Representative Esteban Torres, who termed sanctions against Havana as ineffective and anachronistic. The following congressmen also supported this stance: Jose Serrano from New York, Bernard Sanders from Vermont, and politicians such as Reverend Jesse Jackson and other supporters of an end to the blockade who were also present at the session at the Capitol.

Grouped on the opposite side were figures of the anti-Cuban extreme right such as Robert Torricelli from New Jersey, Lincoln Diaz-Balart and Ileana Ros-Lehtinen from Florida, and Jorge Mas Canosa, head of the ultraconservative Cuban-American National Foundation. Officials from the Department of State who also support the continuation of the blockade were also present at the 17 March session.

### Alarcon on Debate of Rangel Bill

*FL1903024894 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Mar 94*

[Text] Ricardo Alarcon de Quesada, president of Cuba's legislature, said today that the most important contribution of Charles Rangel's bill calling for lifting the blockade against Cuba is that it opens debate on the issue in the U.S. Congress.

Alarcon, an expert on Cuban-U.S. relations, said that the beginning of congressional committee discussion of the blockade from the point of view of those who wish to eliminate it is an important step. In statements to the news agency PRENSA LATINA, Alarcon said, with reference to the third Pastors for the Peace caravan that is currently in Cuba, that the convoy is a very important example of how solidarity with Cuba is growing, even within the United States.

### Radio Comments on Debate

*PA1903185894 Havana Radio Havana Cuba in Spanish 0000 GMT 19 Mar 94*

[Commentary by Roberto Morejon; from the "Evening Information Review" newscast]

[Text] Health should not be used as a political weapon. This statement acquired unheard of implications when it was pronounced on 17 March on the floor of the House of Representatives of the United States, the nation that has held an economic blockade, which includes food supplies and medicines, against Cuba for the past three decades.

The demand was presented by (Julie Finesilver) in her argument against the U.S. siege against Cuba on the occasion of a draft bill submitted by Democrat Charles Rangel. The presentation by (Finesilver), a pharmaceutical company consultant, was the one, among various speakers who participated before a House of Representatives Ways and Means Committee subcommission, that caused a great impact. During a marathon session in which tens of interventions, which also included positions supporting the blockade against Cuba, were heard, the insistence of solid arguments, such as those of Congressman Jose Serrano and civil rights leader Jesse Jackson, were evident in favor of a rational handling of the island. [sentence as heard]

The debate was a solid reflection of the weakened influence of followers of the so-called Torricelli Law, which is aimed at intensifying the blockade's impact on 11 million Cubans. Politicians, businessmen, representatives of the Cuban community residents in the United States, and other individuals went to the podium to speak in favor of or against the blockade; nevertheless, the idea that the Unites States suffers steep economic losses as its hostility against Cuba prevails was emphatically reiterated.

One of the most objective arguments was that of (Finesilver) who, when she displayed a box of PPG [expansion unknown], pills used in Cuba to lower cholesterol levels, expressed regret the box was empty, because the blockade prevents North American citizens from acquiring the product despite its international recognition.

A devastating truth was felt in the room when the speaker stated Cuban and North American scientists could work together if the blockade were lifted. Only because there is a trend in the United States in favor of lifting the inhuman measures, only because of this did the U.S. House of Representatives begin debating such a conflictive issue. Irrefutable opinions such as those of Mrs. (Finesilver) were heard at that time.

### Miami Poll on Ending Embargo Cited

*FL1903184994 Havana Radio Rebelde Network in Spanish 1000 GMT 19 Mar 94*

[Text] Several U.S. sectors have indicated that U.S. President Clinton maintains the U.S. blockade on Cuba because he considers it of strategic importance in obtaining the votes in the State of Florida for his reelection in 1996. Nevertheless, a recent survey indicates that 40 percent of Hispanic residents in Miami favor the lifting of the U.S. blockade.

### Reporters Speak to Rangel on Ties

*FL1903162994 Havana Radio Rebelde Network in Spanish 1255 GMT 19 Mar 94*

[Interview via telephone with U.S. Congressman Charles Rangel by Roberto Cavada and Ana Margarita Gill on the "Doing Radio" program—live, passages in quotes are in English]

[Text] [Cavada] For some days now we have been trying to make an international call to U.S. Congressman Charles Rangel, who just two days ago presented a bill to the Congress to establish free trade between the United States and Cuba. From a hotel in Miami I have Mr. Charles Rangel on the line, who will give an international news conference. Ana Margarita Gill will serve as interpreter for us and for Mr. Rangel. From Havana, good morning.

[Gill] "Good morning, Mr. Rangel. We are calling you from Havana Cuba, and we would like to ask you about details concerning your projects to ease or establish free commerce between Cuba and the United States.

[Rangel] "Well, as you know, the U.S. has always felt that Cuba with association with the Soviet Union represented a threat to our national security and as a result of that it established the embargo some 34 years ago. It is my opinion and that of many members of the Congress that that threat no longer exists if it existed at all and that the embargo should be removed. I had hearings on this bill, and we have had many people in the Congress to agree. And I think that with all the witnesses, there is an overwhelming belief that the purposes that existed for the embargo before do not exist now and that it should be removed.

"The problems that we do have is that there are many people in the United States who believe that the rights of Cuban people to speak their minds and the terms of the type of government that they would have are held in jeopardy if they speak out against the Cuban Government. The Cuban Government, of course, says that this is not so, that people do have the opportunity to say anything that they want, and so, therefore, I think that now that we have established an area of differences that we also can establish an area of debate and that is exactly where we are at this moment.

[Gill] "Thank you so much I will translate for a few seconds." He states that the embargo, or the blockade, is established due to relations between Cuba and the United States. At the present moment this situation has changed completely, and if there is an area of differences there should also be an area of dialogue and mutual exchange.

[Cavada] The listeners would like to know about the future of your bill. What other steps would be followed because the Cuba people are interested in learning of this future.

[Gill] "Mr. Rangel, which will be the next steps in Congress concerning the project?

[Rangel] "Well, since there is an overwhelming feeling that the embargo has nothing to do with the security of the United States and since many of the business people believe that indeed the United States is losing as a result of not participating in trade with Cuba, as we have established with the North America Free Trade Agreement, then what remains is some concern about the type of government and the type of conditions that exist as relates to the human rights of the Cubans. Of course some of us believe, that support the bill, that the embargo has caused an undo hardship in terms of lack of food and medicine, in terms of the pain and suffering of the people in Cuba. So, when people have said that many Cubans have been arrested and placed in jail because their only crime was to speak out in support of democracy, other people have said that that is not so.

"In my opinion, if that is not so and that is the only reason why we are not establishing trade and a normal relationship with Cuba so that we can enjoy each other's culture and education and advancements in medicine and of course in commerce, then it would seem that perhaps our government should start talking and remove what appears to be the only obstacle as relates [words indistinct].

[Gill] "Thank you so much Mr. Rangel."

[Rangel] Good morning. [in Spanish]

[Gill] Good morning. Let us summarize what he said. He said that, currently, there is an overwhelming feeling about the fact that U.S. security has nothing to do with Cuba and that much is being said about the alleged violation of human rights in Cuba. He says that there is no greater violation than the pain and suffering that the embargo or blockade is causing to our people. That the time has come for the United States and Cuba to enjoy each other's culture and education and that they should sit down to talk. In short, that is the message of Mr. Charles Rangel.

## 'More Rational Attitude' in U.S. Seen

*FL1903152494 Havana Radio Rebelde Network in Spanish 1255 GMT 19 Mar 94*

["Our Opinion" commentary by Orlando Contreras]

[Text] The initiative by U.S. Congressman Charles Rangel in presenting a bill that would normalize trade relations with Cuba has the [words indistinct] and the courage to do so. It has also put on the front page the debate over whether it is advisable for the United States to continue following the schemes of the Cold War or to modify its views and values and adopt a more realistic policy in a different world.

Can any intelligent person in the United States continue arguing that Cuba presents or represents a threat to the national security of the world's greatest military power? If one were to make an objective analysis one would see that none of the conditions, claimed to have existed by nine U.S. Administrations in order to apply, maintain, and even strengthen the blockade against our country, currently exist.

As a matter of fact, the events that they used in the past were not modified to please or to acquiesce to a policy of pressure but as a result of factors that exclusively involve Cuba and the countries with whom it maintained the determined commitments which Washington considered dangerous for its security, demanding their cancellation. Our presence in Africa, and the presence in Cuba of some units from the former Soviet Union were not ended because our country was acquiescing to U.S. pressures, but because of sovereign decisions between the parties involved.

Maybe it was the unwavering position that Cuba has maintained and will maintain, or the sharp defense of the national sovereignty and our right to self determination that provoked anger among the leading members of the U.S. Administrations. At one time there was a more appropriate climate for such an exacerbated position. Today, it has been said that the Cold War is over. The Soviet Union no longer exists. There is not one Cuban soldier in Angola, a sovereign decision between those involved.

Today, the most fierce sectors of the counterrevolution in Florida are losing their influence very rapidly. An important sector of the Cuban emigres wants dialogue; it does not accept the blockade. They claim to have other values and interests. A more rational attitude is gaining ground among intellectuals, entrepreneurs, and many U.S. politicians, who do not want to hear anything about a Cold War, but would prefer to hear of trade, mutual interests, trips, and tourism.

The fact that such important events coincide is not casual, but neither is it premeditated. While the bill is presented to Congress to normalize trade relations with Cuba—in other words, end the blockade and the Torricelli Law—the U.S.-Cuba Friendship Caravan is among us after successfully completing their mission of peace and solidarity.

I do not believe the Rangel bill will be passed by Congress. But, it is a sign of a changing view that gains strength in the United States and that will end up isolating those with nostalgia for the Cold War and the big stick policy.

### Cuban Ballerina Waits For U.S. Visa

*FL1803160394 Havana Radio Rebelde Network in Spanish 1800 GMT 18 Mar 94*

[Text] Just four days before the Oscars ceremony in the United States, Cuban Ballerina Alicia Alonso, a special guest to the ceremony, still has not received a visa to enter U.S. territory. Alonso has just confirmed for PRENSA LATINA that permission to enter the United States has not been granted to her nor to dancers Rosario Suarez, or Liang Chen, who are also members of Cuba's national ballet company.

Just four days before the Oscar ceremony, our Alicia Alonso still has not received a visa to enter U.S. territory.

### Colombian Official Cited on Decision To Sell Oil

*FL1903192594 Havana Radio Rebelde Network in Spanish 1900 GMT 19 Mar 94*

[Text] Colombian Minister of Mines and Energy Guido Nule reiterated the decision of the Colombian Government to sell 15,000 to 20,000 barrels of oil daily to Cuba as agreed during a recent visit by Nule to Havana. Nule stated: The deal stands, and the only thing missing is for Cuba to present the corresponding guarantees because we are talking about a business deal as any other where there is a buyer and a seller.

Minister Nule pointed out that Colombia sells oil to anyone who pays for the oil in cash and at international prices. Nule dismissed threats by Cuban emigre extremists in Miami, who threatened to boycott Colombian products in the United States in retaliation for selling oil to Cuba.

### Further on Caribbean Association Meeting Reported

#### Official on Meeting Status

*PA1803201994 Havana Radio Havana Cuba in Spanish 0000 GMT 18 Mar 94*

[Interview with Omar Morales, member of the Cuban delegation attending the experts' technical meeting on the creation of the Association of Caribbean States in Jamaica, by Bianca Elena Govin in Kingston, Jamaica; date not given; from the "Evening Information Review" newscast—recorded]

[Text] [Govin] Since Wednesday, Kingston, Jamaica, has been the headquarters of an experts' technical meeting to further the establishment of the Association of Caribbean States [ACS], a regional organization in which Cuba will participate as a full member. We will now talk to diplomat Omar Morales, member of the Cuban delegation, to learn details of this meeting. What are the meeting's objectives? What countries are participating? What topics have been discussed up to now?

[Morales] The ACS's basic objectives are to further economic integration and operational cooperation. Those were the initial objectives but they have since been expanded because we have also talked about establishing commissions for foreign economic relations, trade, investments in the Caribbean region, and transportation. In our search for new cooperation mechanisms, the association's initial objectives expanded and now include the ones I mentioned initially, as well as the coordination of all the economic issues to which I have referred.

The current meeting is being attended by the all the independent Caribbean countries [words indistinct] the 25 independent Caribbean countries and several dependent territories with the manifest absence of Puerto Rico and the Virgin Islands. They are the only ones not attending the conference.

Up to now, we have only discussed the organization's charter. We have discussed the text of the document or agreement that will legalize the ACS. On this issue, one of the topics that has prompted more attention is the participation of the dependent territories because there are big differences between all the dependent territories. Saint Martin and Montserrat are not the same, for example, as French Overseas Departments such as [word indistinct] and Guadeloupe. Each of them has very special characteristics, and we will have to reach specific participation formulas for each of them. Of course, their participation in the organization will be different from that of the independent countries.

Today, we continue and expect to really get into the issue of the text of the charter. Yesterday's meeting ended with the presentation of the Caricom [Caribbean Common Market] program, and today we will start to debate the text itself. This is what we have done up to now.

[Govin] In the past days, news agencies have reported that the topic of NAFTA, which, as we all know, was signed by the United States, Mexico, and Canada, is going to be debated in the Jamaica meeting. What can you tell us about this, taking into account that Mexico is a signatory of that pact and will also be a member of the future ACS?

[Morales] No, this issue has not been mentioned up to now, and I don't think it will be included because the ACS is not being established to deal with the NAFTA issue. Furthermore, one of the principles included in the discussions on the association's constitution, is that the association has to work to further the integration of our countries. Once we have, for example, an integration organization for Latin American, Caribbean, [word indistinct], or however you want to call it, we will be in a more advantageous position and could then talk to other blocs or associations.

The fact that Mexico, which has maintained a very constructive attitude at the meeting and is one of the countries that has enthusiastically furthered the establishment of the association, is in the [words indistinct] has no importance. There are many countries, such as Colombia, Venezuela, the Central Americans, Caricom

itself, that are in the association and also participate in other integration mechanisms. The countries that already participate in integration mechanisms are not limited in any way because they will now participate in the ACS.

[Govin] The official constitution of the ACS is scheduled to be held in Barbados next July. Could you briefly give us the organization's characteristics and its main objectives.

[Morales] As I said before, the association's main objective is to further Latin American and Caribbean integration and an operative cooperation among our countries. Those are its main goals, and several commissions will also be created. We all want, despite the fact that it means a lot of hard work, to finish our job and officially establish the association in July. This obviously will require a very strong effort by all the member countries as July is only three and one-half months away and we are just starting to debate the charter. We, thus, have to hurry and work hard to be able to constitute the ACS in Barbados. It is anticipated that all the Caribbean heads of state will attend this event.

### Meeting Ends

*FL1903031594 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 19 Mar 94*

[Text] The meeting of experts to draw up the document creating the Association of Caribbean States ended today in Kingston, Jamaica. The text is to be approved by the Caribbean summit scheduled to be held in Barbados during the first week of July. The document establishes the foundations and norms that will govern the new organization for the purpose of integration.

The United States exerted strong pressure for Cuba's exclusion from the association , but in vain.

## Plenum Held on Parliaments in the Workplace

### Ross Attends Plenum

*FL1803131394 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 18 Mar 94*

[Text] The first provincial plenum to sum up the proposals of the parliaments in the workplace was held today in Holguin. This assembly was presided over by Pedro Ross Leal, a member of the Politburo of the Communist Party of Cuba [PCC] and secretary general of the CTC [Cuban Workers Federation]. The parliaments in the workplace had the desired effect and much more: From these parliaments emerged solutions that, despite a great many earlier meetings and assemblies, had never been forthcoming.

[Begin Ross recording] That is a bonus that we must get out of this. That experience, even if it is negative, must serve the purpose of making us rectify our way of zeroing in on problems, of confronting problems, of looking into things with the workers.

The point is not just to drop by the work center. The point is to reach the workers. And the point of reaching the workers is not to say hello to the workers but rather to set up a framework and create an atmosphere conducive to the workers' talking, and for us to communicate with them. [end recording]

At the Holguin plenum, the nation's first, the final report on the process was presented—a process during which certain subjects were much discussed and during which different opinions were expressed regarding, among other things, taxes [words indistinct] and the prices of products in the basic family shopping basket.

A consensus was reached on matters such as the urgency of producing efficiently, reviewing the policy of enterprises' prices, eliminating undue gratuities, recovering work discipline, and, especially, increasing the stringency, monitoring, and management on the part of administrations and the state—as well as what was said regarding illegal businesses and private production.

In this connection, Francisco Garcia Ferrer, first secretary of the PCC in Holguin, reflected:

[Begin Garcia recording] As party and revolutionary leaders, this gives us satisfaction, because we realize that the working class is fully aware of the fact that Cuba's solution does not lie in every man for himself, nor individual solutions, nor private solutions. And that is important. That is an ideological phenomenon the importance of which we must examine. Therefore, we cannot help but feel tranquil; feel that our working class is not confused, that it is very clear on things. The working class is aware that by struggling to produce more—but doing so efficiently—we will move forward. [end recording]

This has been Jorge Quevedo, reporting from Holguin Province.

### Ross Leal on Analyzing Efficiency

*FL1803205694 Havana Radio Rebelde Network in Spanish 1000 GMT 18 Mar 94*

[Text] Yesterday in Bayamo, Politburo member Pedro Ross Leal, secretary general of the Cuban Workers Federation [CTC], said the workers parliaments have expressed their support for economic efficiency. In a meeting to evaluate the progress of this process in Granma Province, which Alfredo Enriquez Pina, first secretary of the Communist Party of Cuba [PCC] in Granma Province, also attended, Ross Leal noted that the solution to our problems is not money but more production. He stated that as long as 79 percent of the country's enterprises are unprofitable, Cuba will not be able to improve or overcome the special period. He stressed that it was essential to reduce expenses and

increase production. He pointed out that until production is raised we cannot think of an analysis of agriculture prices. He went on to say that agricultural-livestock workers first need to produce enough for themselves and for the rest of our people.

During this meeting to analyze the workers parliaments of Granma Province, it was mentioned that the Basic Cooperative Production Units [UBPC] have been created but the number of management personnel of the enterprises and delegations of the Ministry of the Sugar Industry and the Ministry of Agriculture have not been reduced. The importance of implementing a set of ideas previously submitted by workers was also stressed by participants. The solution to many of those problems can be found in the individual work center, municipality, or province.

[Begin Ross recording] On the 29th we will agree on what we will call the process that will follow this one, because we do not want the word parliament to lose its content. The name should express what is desired and it should be used when that is necessary. We are going to change the focus and the name of our process of assemblies of production or services. We are thinking that they should be assemblies to discuss economic efficiency in production or service centers. We must analyze this carefully to establish a proper name so that they are not used for something else, because production or services assemblies are good for everything except for the analysis of these problems. [end recording]

During the meeting, Pedro Ross Leal awarded a banner to Granma Province for being the largest contributor toward financing the Territorial Troops Militia [MTT] during 1993. In a coming contact, we will offer exclusive statements made for this program by comrade Ross Leal giving his personal views of the progress of the workers parliaments in Granma Province.

### Lazo, Ross Attend Plenum

*FL2103011294 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Mar 94*

[Report by Santiago de Cuba correspondent]

[Text] Esteban Lazo Hernandez, member of the Politburo and first secretary of the Communist Party of Cuba [PCC] in Santiago de Cuba Province, said this afternoon that the principal importance of the Parliaments in the Workplace process has been the working class' discussion of how to save its oeuvre. He said this during the plenum concluding the process in the province. Also present at the plenum, which is underway right now at the municipal CTC's [Cuban Workers Federation] theater, is Pedro Ross, member of the Politburo and secretary general of the CTC, who has asked the provincial union secretaries to report on the main proposals made by the provincial workers at their respective Parliament in the Workplace assemblies.

[Begin Ross recording] At that assembly, they even said that yes, we must sell the rum at a high price, and we must sell cigarettes at a high price, because after all, we do have profiteers and we have people who buy... [pauses] that if we set the price at five pesos, such people would buy up the entire (?supply). We should therefore sell the cigarettes at 20 pesos.

So, then, if we wish to stop the profiteers, and if I am a revolutionary and wish to help the Revolution, and yet want to (?smoke) an extra box of cigarettes, I won't let myself... [pauses] (?instead of from the) profiteer, I will buy it from the Revolution, because that money will be used for the Revolution. That is one of the things the workers said.

And I cannot sell bottles of rum freely [por la libre]. Openly, the cost is some 15 pesos. If we really wish to save and contribute, we need to place the bottles of rum so that if I, or other revolutionary people, wish to drink a bottle of rum, we will have a place to get it where rum will cost 120, or even 130 pesos—just like what they sell it for in the streets—because that is the only way to stop the profiteers. [end recording]

Regarding the delicate matter of rationing the work force, Pedro Ross explained that to date, the only sectors authorized to take such a step are tourism and transportation, and that it will never be valid without the presence of the union.

I reiterate, friends: The plenum at the end of the Parliaments in the Workplace assemblies in Santiago de Cuba Province is underway right now, here, with Politburo members Esteban Lazo Hernandez and Pedro Ross Leal in attendance.

### Alarcon Closes Workers Parliaments

*FL1803214094 Havana Radio Progreso Network in Spanish 1200 GMT 18 Mar 94*

[Text] Ricardo Alarcon de Quesada, president of the National Assembly of the People's Government [ANPP], participated in the closing session of the workers parliament held at the National Center for Scientific Research, Cenic, the last one scheduled in the timetable for these meetings.

[Begin Alarcon recording] I want to say, first of all, that we must have a scientific approach, trying to do things rigorously, trying to get to the roots of the problem, as many have said. I can assure you that if the much ballyhooed measures existed in somebody's pocket—please, give us the benefit of the doubt by not taking us to be so stupid as not to realize that the country's problems are so serious and complex that we have never thought of pulling those much discussed measures out of our pockets. This looks like a secondary issue, but it is not. We must be aware that these problems are not easy and simple; they will not be solved the day after the National Assembly meeting. [end recording]

The parliament at the Cenic was not at the level of others insofar as analysis of the center's efficiency is concerned, and Alarcon said that the most important decisions must be adopted in the workers parliaments.

[Begin Alarcon recording] I have seen measures adopted here by workers who do not have a dining room, who have no work clothes, who have no work shoes or protective gloves for handling harmful substances, but who have been able thoroughly to discuss the concrete problems of that factory or unit, to see ways to produce more at lower cost; or in the work centers where they have to pay 1.60 or 1.30 pesos a meal, they agreed to reduce that deficit—because it is part of the country's deficit—they agreed to pay for what they are receiving. These are two examples that come to my mind after participating in several dozen workers parliaments over the past few weeks.

These are concrete measures our hard working people are adopting at this moment; and here there are people working under deplorable and difficult conditions and who also produce products that generate currency they never see, not even from a distance, and who neither can have, as is the case with some workers of the tobacco industry, working conditions like those in other areas of our country. [end recording]

Alarcon also discussed adjustment measures implemented in other countries, based on reduced social expenditures and wages, on worker layoffs, and the closing of unprofitable companies. Alarcon said:

[Begin Alarcon recording] The essential question is this: Do we want this? Do we want the free, universal education program to be eliminated? Do we want the free, public, and universal health program to be eliminated? Do we want the aged, the retired worker, or the worker who lost his job to be abandoned? If that is what we want, I think we do not need workers parliaments or ANPP meetings, if adjustment measures are adopted every day. The only thing we have to do then is to take the IMF model and implement it; that is all.

In our case—and I can tell you I am fully convinced that this is the opinion of the overwhelming majority of the workers of this country—we can start from the basic element, that we must save this social project; that we must look for a socialist way to face this problem, and not by privatizing public education and health, abandoning the poor and the aged or disregarding their right for social solidarity, liberating prices, eliminating subsidies on production, etc. What will prevail then is the law of the jungle, which is capitalism. [end recording]

The ANPP president stressed the double objective of the parliaments in work places.

[Begin Alarcon recording] One important aspect of these workers parliaments, of these meetings, has been that each and every one has been able to express his or her opinion or point of view, or any idea on how to face the national, general problem of the country's financial situation, but also and above all, to analyze the specific set of problems of each center, to try to identify problems and solutions the unit might have, and especially to see that the solutions found to those problems are implemented.

I can tell you that in some of those meetings in which we participated we have been able to verify with satisfaction that more than one of those measures adopted by the workers are in effect. Besides—we have been able to verify this in the area of tobacco—the same factories we visited in January and in February, factories that through their workers parliaments began to discuss concrete measures to be adopted in those factories, today are producing 110 and 115 [figures as heard] more, depending on the factory, as compared to their production before that date. [end recording]

Alarcon said that we Cubans have grown accustomed to free and universal education and health programs, social security, and welfare. But these benefits cost the country 4.3 billion pesos every year.

[Begin recording] Much has been said about the prices of some products on the black market. And it is true. It is also true that supply to the market controlled by the state is experiencing a slump. We are all aware of this. But for many years, and also today, the scarce products, with very few exceptions, have been subsidized for many years. That is, what we pay for rice today is not what it costs or what the state pays for it, because it must be bought from elsewhere in the world and must be paid for in hard currencies, currencies which are associated with the hard currency stores but do not exist for hard currency stores alone, but for many other things.

We can also talk about bread, because many workers complain about the quality of bread, etc. But bread does not just fall from the sky as manna; it comes out of the oven, and wheat to become bread must be put into that oven. And wheat must be purchased at a price which is not what we pay for bread. Bread may be of poor quality and scarce, but for years these products have been subsidized by our society. By subsidizing that staple product the country has been spending more than 400 million pesos every year. [end recording]

Alarcon said that 69 percent of our industries are not profitable, and that keeping them in operation costs more than they contribute, especially since they do not have the raw materials or input they had before, because they have lost the market. However, we are not going to follow the neoliberal policy of closing those industries and laying off workers, because they are not to blame for the drop in the country's import capacity from more than $8 billion to $1.7 billion in 1993. To solve the current economic situation, preserving the conquests of socialism, is very complex; but it is worth making all necessary effort. And for this reason the parliaments have been called in the work places.

These were some of the basic ideas expressed by Ricardo Alarcon on closing the workers parliament at the Cenic.

### Union Views Parliament in the Workplace Process

*FL1803231794 Havana Radio Reloj Network in Spanish 2055 GMT 18 Mar 94*

[Text] The secretaries general of the Trade and Food Industry Workers Union [Sindicato de Comercio y Gastronomia] from Cuba's 14 provinces and the special municipality are meeting today at the CTC [Cuban Workers Federation] to evaluate the process of holding Parliament in the Workplace assemblies at work centers. In the presence of Osmany Cienfuegos, vice president of the Council of State, these worker leaders will assess how the subject of tourism was reflected during the meetings at which this subject was discussed by the various unions.

One of the demands of the Trade and Food Industry Workers Union's membership is the need to designate a more flexible manner in which each work group donates a portion of its tips to indirect workers and public health.

During the afternoon, Sonia Rodriguez, [minister] president of the State Committee for Material and Technical Supply, will be participating in the Parliament in the Workplace process of the Trade and Food Industry Workers Union at the CTC.

### Workers' Proposals To Improve Economy Lauded

*PA1903021994 Havana Radio Havana Cuba in Spanish 0000 GMT 18 Mar 94*

[Commentary by Roberto Morejon]

[Text] The balance of the workers' proposals on how to make factories more efficient and how to improve the nation's finances has begun to be reported in the 14 Cuban provinces and the special Isle of Youth municipality today. It is immediately obvious that the wide array of suggestions and evaluations will be very useful to the parliament. This leading government organization last December studied measures to confront the negative balance of domestic finances. Prior to approving those measures, the organization decided to see what the consensus was among the people. The unions accepted the initiative and have held approximately 80,000 grassroots meetings which, after almost three months of constant conferences to hear opinions, concluded this Wednesday. Following this free flow of opinions, it was observed that there was consensus on several possible measures for correcting domestic finances. Other ideas were widely discussed but did not receive unanimous support. Among the most accepted considerations were the implementation of actions with greater economic efficiency, the elimination of nonessential gratuities, the closure of nonproductive centers, and the implementation of monetary, fiscal, and price measures to face the significant fiscal deficit of 4,200 billion pesos, which has the same value in dollars according to the official rate.

The majority was in favor of increasing the price of nonessential articles and others items that are necessary but which have such low prices that they do not even cover production costs. Workers also favored measures to encourage savings and understood the need to implement a tax system. There is not much information on tax systems because they do not exist in Cuba, so the issue was obviously cause for concern. There was no consensus on a possible change of currency given that such a measure could be ineffective in the long run. Thousands of Cubans, however, proposed establishing commitments to freeze funds for several years.

These are some of the numerous considerations handled in the so-called parliaments in the workplace, which was the name given to the trade union assemblies that followed the last meeting of the People's Government National Assembly in December.

Provincial and national union leaders will today begin to study the proposals and ideas presented by the rank and file, a process that should portray more clearly the opinion of the majority of Cuban workers about economic matters.

### Crombet To Attend Parliamentary Union Conference

*FL2003221994 Havana Radio Rebelde Network in Spanish 1800 GMT 19 Mar 94*

[Text] Jaime Crombet, vice president of the National Assembly of the People's Government [ANPP] will participate in the 91st conference of the Interparliamentary Union, UIP, to be held in Paris on 20-26 March. On the event's agenda is discussion of world conflicts, (?achieving) and maintaining peace, the role of the United Nations and regional organizations, and a general discussion of the world's economic, political, and social situation.

### MiG Aircraft Crashes; Two Pilots Killed

*FL1803135794 Havana Radio Progreso Network in Spanish 1200 GMT 18 Mar 94*

[Text] The Ministry of the Revolutionary Armed Forces [Minfar] has reported that an unfortunate accident took place on the morning of 17 March, involving a two-seat MiG-23UB [alphanumeric designation as heard] aircraft carrying out a highly complex training flight over the territory of the Eastern Army.

Two first class pilots from Holguin Airbase died in this accident. They are: Major Sinecio Landa Lopez, married, and father of two children, and Major Jose Borrego Pajon, also married, who left a pregnant wife.

Both pilots are graduates from our aviation school in Pinar del Rio in 1985 and 1986. They were 36 years old, militants of the Cuban Communist Party, and both fulfilled internationalist missions in Angola.

The Minfar has conveyed condolences to all relatives of these two courageous pilots who died in the fulfillment of their tasks.

### Western Army Labor Protection Campaign Under Way

*FL2003223194 Havana Radio Rebelde Network in Spanish 0000 GMT 20 Mar 94*

[Text] How to guarantee the safety of machines and equipment, increase workers' competency, and achieve general combat readiness are the topics being discussed today by the Western Army's first inspection and labor protection campaign. For the past few months, the units of the Western Army's territory have been making great efforts to guarantee every worker the resources that will allow him to do his work with a maximum of security for his life. Also, existing technical difficulties in various types of equipment—especially that used in engineering tasks—have been solved by means of interesting innovations. Regrettable work accidents have thereby been avoided. Among those centers with best results is the Western Army's rearguard technical safety unit [unidad de aseguramiento tecnico de retaguardia], which has made over 1,800 gloves for use in soldering or in agricultural activities.

Sixteen papers are being analyzed here today, selected from the 50 submitted at the grassroots level. A jury will choose the best six, which will then be presented at the Army's ninth science and technology forum. They will also (?be presented) in the campaign at the level of the [entire] Armed Forces, scheduled for 14 and 15 June, which happens to be the 20th anniversary of the [creation of the] FAR's [Revolutionary Armed Forces'] technical inspection and labor protection specialty.

### New Ambassador to Uruguay Presents Credentials

*FL1903025494 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Mar 94*

[Text] PRENSA LATINA reports that Cuban diplomat Manuel Aguilera de la Paz today presented his credentials as Cuban ambassador to Uruguay to President Luis Alberto Lacalle. Aguilera replaced Abelardo Curbelo, who became ambassador to Uruguay in February 1989 and now represents our country in Mexico.

Cuba and Uruguay reestablished diplomatic relations in October of 1985, after 21 years of official isolation decreed by the Uruguayan legislature.

### Physicians To Train Venezuelans in Orthopedics

*FL1803231194 Havana Radio Reloj Network in Spanish 2043 GMT 18 Mar 94*

[Text] The presence of Professor Rodrigo Alvarez Cambras in Ciudad Bolivar and Puerto Ordaz, Venezuela, is proof of the interest on the part of Venezuela's public health leadership in developing aspects of holistic and sports medicine.

Alvarez Cambras said he had been able to hold exchanges with Venezuelan scholars on spinal surgery and [word indistinct] in ankle lesion surgery at the Social Security Hospital in Puerto Ordaz.

Alvarez, who is director of Havana's Frank Pais orthopedic teaching hospital, said he performed six operations and held a practicum workshop during which aspects of orthopedics were assessed. Alvarez Cambras explained that two protocols of intent were signed: one, on exchange of information in metallurgy and the development of orthopedic instruments and parts; the other, with the Social Security Hospital where our doctors will go several times a year to train specialists.

## Haiti

### People's Groups Propose Solutions to Crisis

*FL1903011694 Port-au-Prince Signal FM Radio in French 1130 GMT 18 Mar 94*

[Excerpts] A serious hope for disentangling the situation in Haiti has yet to emerge. After the series of congresses and conferences and the plan of the parliamentarians, political parties and groups are multiplying proposals aimed at lifting the country out of deadlock. The following is a report by Wilker Fecond:

[Begin recording, in Creole] [Fecond] While the parliament is divided, plans are coming from everywhere. Proposals are being made to get Haiti out of the difficult deadlock it is experiencing today. Reactions continue to come from political parties and people's organizations, each perceiving the situation differently.

Reynold Georges, leader of Alliance for the Liberation and Progress of Haiti [ALAH], has reacted against the statement of the National Coalition [CN]. We remind you that the CN asked the Army to assume power so as to end the suffering and misery of the people. This statement has greatly shaken ALAH because it maintains its stance asking for the resignation of the head of the Army, which it considers the only way to resolve the crisis. [passage omitted]

In the same vein, Saint-Martin People's Movement [Mouvman Popile Senmaten, MPSM] says in a statement to Signal FM that the country's problem is not the matter of a plan, but rather is compliance with what was contained in the Governors Island agreement to facilitate the return of President Aristide to power. [passage omitted]

For its part, the Association of Young Haitian People's Power [Asosyasyon Jen Pouvwa Popile Ayisyen, AJEPOPOA] takes another stand, asking both President Aristide and General Cedras to step down. At the same time, the coordinator of this organization, Jude L. Jean-Jacques, has asked the Army to give the people a little leeway to go into the streets to demonstrate their discontent with all that is happening in the country.

[Jean-Jacques] Without doing anything wrong, in order and discipline, without disorder or looting, we will go

into the streets as early as next week carrying our placards of demands to say no to Gen. Cedras, no to Father Aristide, yes to democracy, yes to a national solution, and yes to a responsible power working in the interests of the Haitian people.

[Fecond] This is how the situation is and many observers are wondering how long it will take Haiti to find a way to peace and reconciliation [and out of] the critical situation it is experiencing today. [end recording]

### Joseph: Legislators Willing To Negotiate

*FL1903003994 Port-au-Prince Radio Metropole in French 1700 GMT 18 Mar 94*

[Text] Some legislators are reportedly ready to renegotiate the plan recently approved in the lower chamber. Some members of the delegation that traveled to Washington to draft this plan are ready to return to Washington, according to Deputy Antoine Joseph. Commenting on the statements of the UN secretary general, who expressed the desire to pursue negotiations in order to achieve a new plan in conformity with the Governors Island agreement, Deputy Joseph revealed that he was ready to undertake the political pilgrimage if that effort can help solve the crisis. The legislators are reportedly willing to sit down with the president-in-exile this time to listen to his reservations and viewpoint. Deputy Joseph answers Edner Jean's questions:

[Begin recording]

[Joseph, in Creole] I do not believe that the latest statement made by the UN secretary general is ambiguous at all. On the contrary, it is one more way to support the plan of the parliamentary delegation. When he said that he had opened a space for dialogue and negotiation, he also said that he was waiting for the Senate to make a decision and, most probably, he is expecting the Senate to ratify the plan, meaning that he is referring to a document.

Certainly, President Aristide has some reservations on the plan, and those points, without modifying the plan, are essentially guarantees that President Aristide requires. The parliamentary delegation, the UN secretary general, the Clinton administration, and President Aristide are going to sit down to offer President Aristide the guarantees that he needs so that he understands the reason for the plan, the applicability of the plan, and the reason we say that the plan is efficient, realistic, and peaceful.

[Jean] Does that mean, Deputy Joseph, that the delegation will be willing to go back to Washington to renegotiate the plan if President Aristide and the UN secretary general ask them to do so?

[Joseph, in Creole] I have said many times that I was willing to take my pilgrim's staff, go to Washington, and meet with all concerned sectors—I started doing so, why not continue—all the more so if there is a plan today and this plan, for us, constitutes a good springboard for a solution to the Haitian crisis. I must tell you that those who are against the plan, until now, have never said what they have against the plan and have never defined their reservations toward the plan, which would allow us legislators to engage them in a debate to help clarify those reservations.

We must ask ourselves the question: Today, what is the alternative? Not necessarily a presidium, not necessarily the reactivation of Article 149, not necessarily Joseph Nerette, not necessarily casting aside the 30 September family, but a realistic plan which takes into account the position of the international community, the position of President Aristide, and the position of the Army.

[Jean] But the Army is still mute on the plan, while Father Aristide's stance is known. Does the Army's silence constitute another element of blockade?

[Joseph, in Creole] You can interpret this silence in two ways. I know that the military have not felt that they can take a stand until now. Perhaps they also feel that they do not have the guarantees to accept the plan. What I can say to the Army is that I think the Army has already committed a major mistake in rejecting the Washington protocol. Is the Army going to repeat that mistake? I would hope not, because in this plan there is a way for the military to reinforce the military institution. [end recording]

### Senate Office Wants To Review Parliamentary Plan

*FL1803182794 Port-au-Prince Signal FM Radio in French 1130 GMT 18 Mar 94*

[Excerpts] The Governors Island agreement and the New York pact are null and void in the opinion of the 18 January parliamentarians who have maintained their decision not to refrain from participating in the sessions at the Senate of Republic. The unofficial office of the Senate (?wants) the parliamentary plan to be sent to them so they can look into it. The following is a report by Daly Valet:

[Begin recording, in Creole]

[Valet] Butrus Butrus-Ghali and Stanley Schrager spoke at the beginning of the week, saying that the parliamentary plan would be voted on in the Senate this week. From 14 March through 17 March, the Senate situation has remained the same. Nothing has changed. The days that pass at the Senate look like one another: The Alliance for Parliamentary Cohesion [ACP] senators are meeting in camera; the Senate session room is empty; and Firmin Jean-Louis, president of the legitimate office, has been absent since the most recent clashes of last week. The problem of two offices within the Senate has remained unchanged despite negotiations and discussions underway among the ACP senators. How can the parliamentary plan come to a vote in this situation of confusion? We know the office presided over by Firmin Jean-Louis has already received a copy of the resolution

passed in the Chamber of Deputies. But has Bernard Sansaricq's unofficial office been informed of the parliamentary plan?

[Senator Osny Eugene] No, Daly, until now, we have not been officially informed of the plan passed by the parliamentarians in the lower chamber. We have heard about the plan through the press. We expect the lower chamber to inform us of this plan so we can look into it.

[Valet] This answer is the stand of Osny Eugene, quaestor of the unofficial office, who will apparently continue to hear about the plan in the press because it is the office presided over by Firmin Jean-Louis that the Chamber of Deputies has acknowledged for work on the issue. Eugene says he does not give much importance to the parliamentary plan. According to him, a plan signed in Washington does not deserve much importance.

[Eugene] [passage omitted] We have nothing against the fact that a plan was discussed in Washington but, as long as the plan has not yet been concluded here in Haiti, it is very difficult for us to give it importance. We think there are enough people in this country. There are enough institutions to look into the presentation of a plan. I see no reason for us to go as far as Washington for a plan.

[Valet] As an 18 January parliamentarian, the quaestor of the unofficial office, has sworn hundreds of times that he will not allow anybody to ask him to abstain so the parliamentary plan can be voted on by the Senate. [passage omitted] [end recording]

## Peligre Power Station Shut Down for Repairs

*FL1803180694 Port-au-Prince Signal FM Radio in French 1130 GMT 18 Mar 94*

[Text] Electricity of Haiti [EDH] has decided to cease completely the exploitation of the Peligre hydroelectric power station because the artificial lake has reached its minimum level of 153 meters. During the shutdown, repair and maintenance will be carried out at the power station on two of the three turbines in order to take the maximum advantage of the next rainy season expected during the month of May.

According to an EDH announcement, the work should last four weeks. EDH will guarantee 100

exploitability of the production capacity of the hydroelectric power station, that is 54 MW, as soon as the level of the lake goes back up with the heavy rains of May. EDH hopes to reduce rationing soon and to maintain reasonable service throughout the grid in the capital.

We should also say that mud patches have allegedly reached the shores of the lake and have even allegedly reached the turbines, according to inhabitants in the area contacted by Signal FM.

## Energy Crisis Affects Neighborhoods

*FL1903002194 Port-au-Prince Radio Metropole in French 1700 GMT 18 Mar 94*

[Excerpts] The blackout is spreading in Port-au-Prince. Several neighborhoods of the capital have been without electricity for a week. Since the Peligre hydroelectric power station closed for repairs, electricity has been supplied only every two or three days for a few hours to the luckiest neighborhoods and every eight days to the rest. The zones on a priority circuit have basically disappeared: the ministers' quarter, the National Palace area, the Army headquarters, and the General Hospital are also affected by the rationing. The blackout and the long hours of cut-off could last a long time. The deadline for completion of repair to the Peligre hydroelectric power station is mid-May.

Sanatorium Hospital has no electricity. The sanatorium, which treats tuberculosis patients of the metropolitan area, can no longer function. The institution is facing quite a critical situation. Guilloto Francois filed a report:

[Begin Francois recording, in Creole] Even if it is still standing, the muscles of the sanatorium have begun to atrophy. That statement was made by one of the hospital staff, sending a distress signal that the hospital is in a critical state.

Some doctors and patients are using the hospital, under some conditions. Work materials and medicines have grown scarce. In addition, the sanatorium is facing an energy crisis. Doctors and patients are in a blackout. Doctors asserted that they can no longer use electrical appliances. Sanitary conditions have gotten worse because of the lack of water for days now. The sanatorium formerly received electricity on Wednesdays and Fridays. However, for the past few days, the sanatorium has received neither electricity nor water.

The crisis has paralyzed several sections, including endoscopy which takes care of urgent cases. Several patients of the sanatorium had to be evacuated because of the crisis which prevails. At 1930 GMT on 17 March, a pregnant woman arrived at the sanatorium. Despite her pains, the doctors were powerless because of the energy crisis. [passage omitted]

The doctor on duty at the hospital did not give details on the situation. Questioned on the poor operation of the hospital, the doctor refused to comment; he said the hospital's crisis is the same as the country's.

One of the young doctors who agreed to give details stated that the hospital had no support structures to help it run normally. [passage omitted]

The patients in the sanatorium do not eat regularly because of lack of water in the hospital and at night, everyone is in a total blackout. A source in the sanatorium stated that the Public Health Ministry is aware of the problem and has promised to help.

While awaiting relief for their patients, the doctors and staff of the institution, just as others, continue to function at the same level as the country does. [end recording]

### Mayor Rejects Deputy Mayor's Proposal

*FL1803190694 Port-au-Prince Signal FM Radio in French 1130 GMT 18 Mar 94*

[Text] Port-au-Prince Mayor-elect Evans Paul has rejected the proposal of Assistant-Mayor Joseph Gerald Salomon who said on 17 March that he was ready to meet with the Port-au-Prince mayor in the presence of the press. I have nothing to say to somebody who is not credible—Salomon must respect the chain of command, Evans Paul stated.

[Begin recording, in Creole]

[Paul] I am not in an election campaign with Salomon. I have no show to put on with Salomon. I am taking an administrative step. It is within the scope of the administrative step that I was trying to see if he could understand that he had a responsibility. But I will not engage in demagoguery with somebody with no credibility like Salomon. What would I discuss with somebody who does not believe in democracy, who does not believe in principles, who maintains an anarchical stance, and who rejects the work of an institution? What would I say to somebody who is setting obstacles despite all my efforts? What would I say? I have already said all that I have to say. I said it in the letter I wrote. Salomon has said that he does not want dialogue, that he does not want compromise. If he does not want dialogue and compromise, what would be the reason for a meeting in front of the press? (?Because) if you cannot submit yourself to the discipline of the administration, what would I have to tell you? I have no time to waste. I have much work to do. I can compromise. I can make concessions. I can hold a dialogue, but first of all there must hope that the dialogue will produce results.

[Valet] Furthermore, Paul has required guarantees before sending money to the Port-au-Prince City Hall, fearing that this money would be misused, as was the case this past December, he says.

[Paul] We explained thoroughly that Salomon has created any and all impossible situations so as to allow us to carry out the payroll properly. [sentence as heard] Normally, we have a responsibility toward city hall funds. We cannot allow ourselves to send money to a city hall where a lot of people arbitrarily do whatever they want with this money, as happened with the payroll we made in December when a lot of people—not the least, I can cite the name of Assistant-Mayor Jocelyne Sablon—did not receive their salaries.

We have state employees who are ready to issue the payroll. But we must be able to make sure that the persons to whom we give the checks are really those entitled to them. Then they will give us a signed receipt. [end recording]

### Residents Call On Leaders To End Crisis

*FL1803192694 Port-au-Prince Radio Metropole in French 1145 GMT 18 Mar 94*

[Text] Other residents in Cite Soleil are calling for an urgent solution to the crisis. About ten of them denounce, in a statement to Radio Metropole, the disastrous effects of the international sanctions imposed on Haiti. Enough is enough said the residents of Cite Soleil who are calling on the concerned authorities to assume their responsibilities. The residents assert that they are willing to accept any solution to the crisis as long as it allows the lifting of the embargo and the end of the nightmare for the Haitian people.

[Begin unidentified speaker recording in Creole] Even if the Army takes power we do not mind. We want the embargo to be lifted, the population to find food to eat, gasoline prices to drop, and the security problems to be solved so that everyone can normally go about his activities. Whether it is the parliament or the Army which takes over, as long as we can eat and drink, we do not mind. We heard on the radio that [Front for Haitian Advancement and Progress Leader] Mr. Constant asserted that he would find a solution to the crisis.

We are calling on those people to find a solution. It is time that they save the country because Aristide is out of the question. We are not concerned with Aristide since he did not return on 30 September. It is a scenario being played. It is a movie, a play but they [not further identified] want to use the population as a cover. [end recording]

### Three Corpses Discovered in Cite Soleil 17 Mar

*FL1803184594 Port-au-Prince Radio Metropole in French 1145 GMT 18 Mar 94*

[Excerpts] Daily political violence prevails in Cite Soleil. Daily political violence in Port-au-Prince reportedly has its epicentre in the slum neighborhoods, particularly Cite Soleil where the residents wake up almost every day and discover dead bodies of people shot or stabbed. The murders are perpetrated at night by unidentified armed men, and the victims are reportedly political militants according to some testimonies gathered on the spot by Radio Metropole. On 17 March, the dead bodies of three people were found in the streets of the afflicted city, corpses attacked by dogs and pigs. Jean-Max Blanc filed a report:

[Begin Blanc recording in Creole] The people of Cite Soleil, one of the worst slums in Port-au-Prince discovered on 17 March the corpses of three people in a vacant lot. No resident in the Cite was able to give information on the author of the act, nor did any group claim responsibility. Pigs started eating the faces of two of

them. Those corpses include a former sergeant of the Haitian Armed Forces; the two others are hardly recognizable. [passage omitted]

It is not the first time that pigs are eating people murdered in Cite Soleil. A few weeks ago, the residents in the Cite reported three similar cases. Long before some unidentified men committed those acts, the UN/OAS international civilian mission denounced the growing acts of violence in Port-au-Prince. In a press release issued on 16 March, the mission reported 50 cases of murder from January to February that the Haitians pointed out to the mission. The victims included 12 who were members of grassroots organizations and another one was an officer of the Haitian Armed Forces who was killed in Carrefour Feuilles on 20 February. The observers asserted that they noticed several corpses with torn faces and other amputated organs. [passage omitted].

The people that the residents in Cite Soleil discovered were abandoned not too far from the area were a fire destroyed more than 200 small houses three months ago. At that time, the residents in Cite Soleil charged that the members of FRAPH [Revolutionary Front for Haitian Advancement and Progress], the neo-Duvalierist party, were responsible for the act. [end recording].

## Study Indicates NAFTA To Increase EU Trade Ties

*PA1703210194 Mexico City NOTIMEX in Spanish 0118 GMT 16 Mar 94*

[Text] Mexico City, 15 Mar (NOTIMEX)—The European Union (EU) today reported that NAFTA will allow Mexico to move toward economic development that is closer to that of its associates and will increase its ties with the EU.

In the document "The European Union and NAFTA," the EU indicates that NAFTA—which was implemented in January—"will have effects on its member nations, on the EU, and other nations on political, trade, and investment levels."

In the document disclosed to NOTIMEX, the European organization indicates that to the extent that the Treaty moves Mexico closer to the "North American orbit," its relations with the EU could be significantly increased. Although the EU is Mexico's second ranking trading partner—after the United States—this nation only represents for the EU 1.4 percent of its total exports.

After the rules of the trilateral agreement are implemented and as the tariffs disappear between Mexico, the United States, and Canada, European products are expected to experience a certain displacement by U.S. products in the Mexican market, the EU said. Nevertheless, it ruled out the possibility that the activity generated and reinforced in Mexico by the trade treaty will allow greater trade expansion with the European bloc.

According to a study carried out by the EU on the effects of the trade treaty and on EU-Mexico investment, there are possibilities that displacement of Mexican imports from the EU will not be adversely affected. Nevertheless, if these are affected, the main effect will be on the goods that face greater tariff differences with regard to U.S. and Canadian products.

The document indicates that this effect can be diminished by the process of gradual removal of tariffs foreseen in the treaty and by the fact that the EU is the sole supplier of a large number of goods on a worldwide scale; therefore it does not face competition from North America.

## EZLN's Marcos on Camacho, 'Harrassment'

### Comments on Camacho Candidacy

*PA1903042594 Mexico City Radio ACIR Network in Spanish 0000 GMT 19 Mar 94*

[Report by Juan Carlos Santoyo from Tuxtla Gutierrez, Chiapas State]

[Excerpt] We are now going to hook up with Juan Carlos Santoyo, Radio ACIR's special correspondent in Chiapas. Right now he is in Tuxtla Gutierrez and has all of the day's information, including statements by the governor of Chiapas. We will also discuss with him today's statements in the media by Subcommander Marcos of the Zapatist National Liberation Army [EZLN], who commented on the possible political aspirations of Manuel Camacho Solis, commissioner for peace and reconciliation in Chiapas.

Subcommander Marcos said Camacho Solis can, if he so desires, declare himself a presidential candidate, but Marcos warned that this would hurt his credibility. In addition, Marcos has sent Camacho Solis a message saying the EZLN is not willing to be used as a political stepping stone. Is that about it, Juan Carlos?

[Santoyo] Yes. Good evening everyone. Without a doubt, these statements by Subcommander Marcos show there is a certain degree of uneasiness in the negotiating process. We have reports that indicate the second round of internal EZLN negotiations are due to begin on Saturday or Sunday in the Lacandona jungle to decide the EZLN's reply to the government's proposal as presented by Peace Commissioner Manuel Camacho Solis during the first stage of the dialogue. [passage omitted]

### Warns of Attack

*PA1903222394 Madrid EFE in Spanish 2010 GMT 19 Mar 94*

[Text] Mexico City, 19 Mar (EFE)—The rebel leader known as Subcommander Marcos warned today that the Zapatist National Liberation Army (EZLN) could attack again if the Mexican Armed Forces continues their harassment.

Marcos told local media that some EZLN members were tortured after their capture on 6 March and said that if the situation continues, the rebels could take up arms again and repel any attack.

"Everything indicates that a military offensive is being prepared regardless of the results of the consultations" held after the peace talks with the government and that "the Army has already begun to mobilize," Marcos said.

The guerrilla leader added that the Armed Forces have been constantly harassing the EZLN by detaining Indians, patrolling the area, and collecting military information.

Marcos said that all of these actions have forced the Zapatists to change their minds about peace and prepare for a probable counterattack.

"We could go into action again. We cannot trust a government that talks of peace while taking warlike actions," he stated.

Marcos said everything indicates that the government is seeking a military solution, not a political one. He explained that currently there is no peace agreement, only a government proposal that is being studied by the Indian communities.

Marcos also said that the EZLN has received information about a probable military attack on the Zapatists before May to annihilate the guerrillas before the presidential campaign enters its most critical stage. "The government's wants to behead our movement by removing the leadership in a surgical operation," he reported.

Marcos said 10 Zapatists have been detained since the Armed Forces began to patrol Indian communities. These persons are probably questioned to learn more about the guerrillas' strategies and positions.

He said that the government's actions will only increase the EZLN's distrust of the government and, if the Army attempts to attack Zapatista positions, the guerrillas will respond in kind. The present truce in Chiapas, he said, is an "undeclared war" that will quickly break out again if the government decides to attack.

The armed conflict in Chiapas began on 1 January when the EZLN took up arms against the government. The EZLN engaged the Mexican Army in bloody combat early in the conflict, resulting in at least 150 dead, 500 wounded, and some 20,000 refugees, according to unofficial figures.

## Indian Revolutionary Organ, EZLN View Commitments

*PA1903164394 Mexico City LA JORNADA in Spanish 18 Mar 94 pp 1, 12*

[Report by David Aponte; quotation marks as published]

[Text] San Cristobal de las Casas, Chiapas, 17 Mar—The delegates of the Clandestine Indian Revolutionary Committee (CCRI)- General Command of the Zapatist National Liberation Army (EZLN) have concluded the first phase of analyzing the commitments for an honorable peace in Chiapas. The delegates returned to their communities to explain the contents of the document.

According to reports obtained here, the analysis process in the Zapatist communities will begin during the weekend.

EZLN delegates have told this newspaper the discussion in the communities will take some time, because the

wording of the commitments is "complicated," and the communities are very distant.

At the end of the first phase of the internal consultation, they reiterated their concern over the "continuity" of the commitments for an honorable peace in Chiapas, in light of the upcoming change of the federal executive.

"We do not know if the proposals will be complied with by Salinas' successor," the delegates have argued.

CCRI representatives have considered the federal government's compliance will be a fundamental "condition" for true peace in Chiapas.

Committee delegates Pedro, Romeo, Carlos, and Emanuel have said the consultation in the communities will take some time, because the wording of the government commitments is "complicated," and the Zapatist communities are very distant.

About 300 CCRI representatives who participated in the first phase of the study began returning gradually to their hometowns on 16 March.

Meanwhile, the delegates have said the EZLN has not yet decided whether there will be a second phase of dialogue with Peace Commissioner Manuel Camacho Solis or the manner in which the contents of the 32 peace commitments will be approved.

During a short conversation in a CCRI-controlled area, the representatives have said the advancements of the consultation in its initial stage are minimum. The delegates have analyzed point by point the commitments for an honorable peace in Chiapas. "We are not in a hurry," and the most important thing is to understand the contents of the texts, they have said.

Emanuel has remarked the Clandestine Committee has analyzed carefully the government commitments, "and if they are not fulfilled, we will continue the war. We are very tired."

The Zapatist representatives have returned to their communities with the texts translated into Tzotzil, Tzeltal, Chol, and Tojolabal, so as to explain to children, youths, and elderly people the scope of the proposals. "They will say what they think, but we do not think the government will comply," he has said.

It is necessary for all members of the communities to understand "there is nothing yet" from the dialogue in San Cristobal de las Casas; there is no agreement, he added.

CCRI delegates have said, however, the EZLN is interested in the follow-up of the government commitments, given the change of president. "Salinas' departure is nearing, and we do not know if his successor will maintain his policies," Emanuel has said.

Romeo has warned the federal government's compliance with the political and social requests is a fundamental "condition" for true peace in Chiapas.

[LA JORNADA] What is going to happen with the weapons?

[Romeo] The weapons. One can never surrender the weapons, but the government must meet the people's needs. This is the only thing for what we are asking; we are asking for at least for democracy. We want our rights to be considered. All our comrades, men, women, children, and elderly people are practically abandoned.

"You are realizing how the regions and towns are; they are very screwed up. Just look at the roads, the pasture grounds, how pasture grounds grow on stony grounds. We want the government to hurry up. We can give the government a short term for meeting our needs. We want the government to supply for what we are asking, because we are dying.

"Years and years of death. So far it would be better to die while fighting, but if the government meets its word, we would be glad. We want a real and lasting peace, not just words: We want deeds," Romeo has added.

The delegates have returned to their communities, many of which are located four or five days away by foot. The initial stage in the communities will begin during the weekend, according to the CCRI.

## Chiapas Ranchers Oppose Land Expropriations

*PA2003033594 Mexico City EL FINANCIERO in Spanish 18 Mar 94 p 50*

[Article by Gabriela Coutino]

[Text] Tuxtla Gutierrez, Chiapas, 17 March—We the cattlemen do not respond to provocations, but we will definitely not accept the government's intended expropriations. We demand that the ejidos, the small properties, the Constitution, and the law be respected, said Cesar Gonzalez Quiroga, president of the National Confederation of Cattlemen [CNG].

Octovio Albores Cruz, state leader of the National Peasant Confederation [CNC], reported that the Chiapas government will form an investigative commission on squatting. The CNC will participate in this commission to see that the presidential resolutions are based on documents and appropriately carried out.

Albores Cruz maintained that the union he chairs does not support squatting. Nevertheless, he warned that once all the appeals run out and if there is no reply to the peasants' demands, "I will not be ashamed to say: Let them squat."

Peasants from the San Cristobal de las Casas region are demanding compensation for nationalized lands, small properties, and agriculture colonies of 27 ejidos of Cintalapa Municipality.

During a special session of the CNG National Assembly to support the Chiapas cattle ranchers, Cesar Gonzalez Quiroga urged the ranchers to remain calm, although he insisted that the sector has been accused of being Satanic, which is unjust. All the cattle ranchers of Chiapas and Mexico are working people, he noted.

Gonzalez Quiroga said in a annoyed tone: "We have respected the institutions; we have not taken up arms; we are not accusing anyone; we do not have white guards [guardias blancas]. We have tractors, plow, and a willingness to work. We will continue to act within the institutions because we believe that matters should be solved correctly."

In Gonzalez Quiroga's opinion, the Chiapas conflict is a priority and a cause of concern for all Mexicans. He also expressed his desire for a true peace process. He added, however, that once the peace process has concluded, the CNG take up its problem once again.

He was then asked: "When will the cattle ranchers' good sense prevail?"

I cannot answer for each and every one of them. The call is for calm and for the problem to be solved. The government is willing to solve the problem. We have faith and trust in President Carlos Salinas.

Meanwhile, Alberto Marin Toache, president of the Regional Cattle Ranchers Union of Northern Chiapas, said that so long as squatting—an attack on private property—continues, "there will not be peace."

Marin Toache said: "Signing a document does not achieve peace, particularly because we do not have faith that the signing of a document with the Zapatists will produce a lasting peace or that the document is valid."

To sign something firm, the cattlemen's leader insisted, all those involved must participate, because the unknown, the hooded, and the masked can retract tomorrow.

## PRD Members, Police Clash in Guerrero State

*PA1803164394 Mexico City XEW Television Network in Spanish 0430 GMT 18 Mar 94*

[From the "24 Hours" newscast]

[Text] There was a confrontation in Guerrero State between Party of the Democratic Revolution [PRD] members and state public security agents in Cutzamala de Pinzon, in the area of Tierra Caliente. The confrontation occurred when PRD members staged a demonstration to demand the dismissal of Mayor (Ramperi Suarez Berrun).

Policemen prevented the PRD members from seizing the municipal building, triggering the confrontation and some shooting. State authorities said at first two policemen died in the confrontation while another six were injured. The PRD state leadership revealed while two members received bullet wounds and many others suffered bruises, no one died.

In the meantime, Cutzamala de Pinzon is living in a climate of tension.

## Guatemalan President on Army Reduction, Rebels

*PA1903185694 Guatemala City Teleonce Television in Spanish 0400 GMT 18 Mar 94*

[From the "Telepress" newscast]

[Excerpt] President Ramiro de Leon Carpio's statements during a breakfast meeting in Mexico City have sparked much interest among the attending diplomats. During the final phase of the meeting, he took a question from one of the ambassadors. The Nicaraguan ambassador asked a question regarding the future dissolution or reduction of the Guatemalan Army.

[Begin recording] [Nicaraguan Ambassador Jose Ernesto Fonseca] [Words indistinct]

[De Leon Carpio] Army reduction in our case is not viable, and I believe in general this is not possible, because even countries that supposedly have no armies do in fact have them. Our Constitution clearly establishes the presence and establishment of a single army and does not accept another armed group or any irregulars; thus, according to the president, there is no room for this topic.

Regarding the first part, indeed there have been talks within the Armed Forces on retraining and even on reduction. A study is being undertaken in accordance with Guatemalan Army plans and with conditions that are going to take place, but naturally the armed conflict must end before this can happen. It is impossible to ask for an Army reduction while subversives are present, while there is an enemy inside the country.

Much has been said about the Civil Defense Patrols, and I am going to broach the subject right away, because there have been requests for their dissolution. They form part of, precisely, Guatemala's defense system. The Civil Defense Patrols are groups of people who have joined together. There have been many discussions as to whether they are really volunteers. A poll was taken recently by the human rights ombudsman, who replaced me, and the result was very surprising, as far as the level of volunteers is concerned, by those who comprise the so-called PAC's, Civilian Self-Defense Patrols, which are now called Civilian Defense Volunteer Committees.

Much has been said to the effect they should be dissolved, because some members of these patrols commit abuses; this is true, and we admit it. We are aware of this and have issued orders that whenever these abuses take place, when these occur and illegal acts or crimes are committed, they will be placed on trial just like any

ordinary citizen. We admit they have caused us problems, but to go as far as eliminating those who have halted the advance of subversion is illogical and naive.

In Guatemala, many groups are asking for the elimination of these defense volunteers, not only groups within Guatemala but groups abroad, and I have always said when groups like this request this elimination, they are either naive or do not want the subversives' advance to be stemmed.

These civilian defense patrols have been an example the world over on the way one can counter and hinder the advance of guerrilla warfare to such an extent that many countries have regrettably copied this. I say regrettably, because I regret guerrilla warfare has also taken place in other countries.

Other countries have copied the way our people—who are angered by their sufferings, their orphans, their widows, etc.—have become organized to defend themselves. It is difficult for the Guatemalan Army or any other Army in the world to control terrorists' advances. The organized civilian efforts have furthered our country's military defense, however, because they have stopped the guerrilla's advances; this is what they have done and that is why we have won the military war. The rebels have been militarily defeated.

In this respect, I would like to add there is already a disposition for [words indistinct] in the places where there is no confrontation. The defense minister will confirm there are no guerrillas in two-thirds of the country, and in the other [words indistinct] there are no Civilian Defense patrols.

I have noticed, however, there is a great deal of confusion regarding groups such as the Civilian Defense Patrols and the Peace and Development Committees. They are very well-organized groups, which, in the future, when they no longer need weapons, can be of great help in furthering economic and social development in their own communities. We would like the defense minister to add to our comments.

[Guatemalan Defense Minister Mario Rene Enriquez Morales] [Passage omitted] Messrs Ambassadors: With regard to dissolving, reducing, modifying, or renovating the Army, we [words indistinct] a draft to the president of the Republic on how to renovate the Guatemalan Army once the guerrilla threat has ended. Many of the suggested actions are already being implemented by those who have the constitutional responsibility to do so and in compliance with the orders of the constitutional president of the Republic. We believe those reforms will allow us to modify and strengthen certain areas; for example, [words indistinct], to become more effective.

The Army reforms will allow us to change quantity for quality. The measures have to be organized and will include the [words indistinct] studies from the military academy, the university, and the centers for military studies. A person who graduates as an officer cannot be ranked as such if he does not have a [words indistinct] of a liberal career. Nobody will be able to take [words indistinct] course and much less the command staff course if he does not have a university degree or a master's degree in any of the liberal disciplines. This program, gentlemen, has already started. [Passage indistinct]... because there is still an ongoing armed conflict. There is, however, [words indistinct] to change quantity for quality in the Guatemalan Army. The president of the Republic knows this well and, moreover, he has approved such efforts. I do not want to take more of your time, so I will not add further. Thank you. [end recording]

## Salinas Marks Oil Nationalization Anniversary

*PA2003135294 Mexico City Radio ACIR Network in Spanish 0000 GMT 19 Mar 94*

[Report by Elizabeth Diaz from the "ACIR Radio News" newscast]

[Text] President Carlos Salinas de Gortari affirmed that his administration has fulfilled its commitment to keep the oil industry under Mexican control and ownership. He added that Pemex [Mexican Petroleum] had been restructured and strengthened because, otherwise, it would have deteriorated into an unproductive and weak corporation thereby becoming easy prey for local and foreign, private interests.

At midday today at the main Pemex administration offices, President Salinas led the ceremonies marking the 56th oil nationalization anniversary. This was the sixth and last [Pemex] public ceremony the president will attend before his term in office expires.

[Begin Salinas recording] The government's responsibility toward this enterprise can only be fulfilled if we establish conditions that guarantee Pemex's future permanence as a nationalized enterprise. We have worked expressly to fulfill that duty and the facts prove this. I hereby state that Pemex is stronger because it is more productive and efficient. On the domestic front, Pemex can guarantee the country's energy needs; it strengthens the public economy for social spending; it increases its own reserves and investments; and restructures its activities. Pemex's fortitude is enhanced abroad because we did not allow any international relationship whatsoever that could subjugate Pemex decisions to any other will than that of the Mexican people. [end recording]

Cabinet members and representatives of government branches, workers unions, and business organizations attended the ceremony. The president recognized Pemex General Director Francisco Rojas' honesty and dedication. He stressed that he will keep his commitment to keep Mexican oil in the Mexican people's hands for our exclusive benefit until the very last day of his administration.

### Presidential Candidates Approved

*PA1903042694 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 18 Mar 94*

[Report by Samuel Prieto Rodriguez from the "Early Morning" newscast]

[Text] Electoral authorities have approved the registration of the nine presidential candidates.

Meanwhile, Government Secretary Jorge Carpizo said no final agreements have been reached in the talks on the special congressional sessions, because he has only exchanged views with three political parties. He added that he has met with the other political parties.

[Begin Carpizo recording] There is a dialogue. There is respect. Views are being exchanged, and this will continue. [end recording]

Carpizo was referring to the talks on the special congressional sessions.

The IFE [Federal Electoral Institute] held two sessions today. There was a special session to vote on the official presidential candidacies, all of which were unanimously approved.

[Begin recording of unidentified IFE official] All topics on the agenda for this special session with regard to the registration of candidates for the Presidency of the United Mexican States have been discussed. [end recording]

There also was a regular meeting to discuss a report on training programs for citizens selected as members of the board of directors of the polling tables, which will be chaired by citizens born in the months of November and December.

[Begin IFE official recording] It has been unanimously approved, Mr. President. [end recording]

One resignation was announced: that of Counselor-Magistrate German Perez Fernandez del Castillo.

### Parties Agree on Autonomy for Electoral Bodies

*PA1903132494 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 18 Mar 94*

[From the "Early Morning" newscast]

[Text] The country's main political forces have reached an agreement for giving autonomy to the electoral bodies. It is an important reform that gives the people control in the decisions of the Federal Electoral Institute [IFE]. These are the proposals that will be voted during the special congressional sessions.

The PRI [Institutional Revolutionary Party], PAN [National Action Party], and the PRD [Party of the Democratic Revolution] reached an agreement last night to reform the IFE and granted a majority to the people's participation. According to the proposal, which will be discussed next week during the special congressional sessions, the following will be the composition of the body as agreed upon by the country's three main political forces .

The political parties have 10 votes: four from the PRI, two from PAN, and one each from the PRD, PPS [Popular Socialist Party], PARM [Authentic Party of the Mexican Revolution], and the Cardenist Front for National Reconstruction Party; this represents 47.6 percent of the total.

With the reform, there will be one representative from each party, with a right of verbal participation but not to vote. The people's participation includes six magistrate-advisers, who must be lawyers, with a total of six votes, representing 28.6 percent of the total.

The reform proposed the participation of six citizen-advisers, without any professional requirements, who must be elected by a congressional two-thirds majority and with six votes, representing 54.5 percent of the total.

The legislative branch participates with four votes, two deputies and two senators who represent 19 percent of the total. With the reform, they would have the same four votes, two deputies and two senators, who would now represent 36.4 percent of the total.

The president of IFE—that is, the government secretary—has one vote, with a right to break a tie and representation for 4.8 percent of the total. With the reform, that official will continue to have one vote but without a right to break a tie and with a participation of 9.1 percent of the total.

Presently the IFE composition represents 21 votes; with the reform it would represent 11 votes. In this manner, the major weight of the decisions would be delegated to the representatives of society.

### Congress Summons Extraordinary Session Period

*PA1903191194 Mexico City XEW Television Network in Spanish 0430 GMT 19 Mar 94*

[From the "24 Hours" newscast]

[Text] The National Congress Permanent Commission summoned today an extraordinary session period to begin on 22 March. The commission plenum approved the motion with 26 votes in favor of and two against. The sessions will be held to discuss electoral reforms to the constitutional and penal codes.

The Popular Socialist Party [PPS] and the Cardenist Front for National Reconstruction Party [PFCRN] voted against the move. PPS Deputy Cuauhtemoc Amezcua criticized the fact only specific government officials and the Institutional Revolutionary Party [PRI], National Action Party [PAN], and the Party of the Democratic Revolution [PRD] participated in the negotiations regarding the extraordinary debates. PFCRN

Deputy Alberto Carrillo said the people's participation in the Federal Electoral Institute will only create a council of notables; it will not guarantee or solve the electoral problems.

The summons states the special debates will begin on 22 March but does not set an ending date. The document also establishes only two issues will be discussed and approved: 1) reforms to Article 41 of the Constitution, to allow greater citizen participation in the electoral organizations; and 2) reforms to the Penal Code to review the description of electoral crimes and to increase punishment.

The proposal to reform the penal code, both for general rights within the Federal District and federal rights for the rest of the country, suggests adding 17 acts to the current list of electoral crimes. This seeks to clearly and definitively protect the right to vote freely and privately, the right to participate in the political process, the authenticity of electoral documents, and to prevent the illegal use of public resources in favor of a specific political party or candidate.

Some of the more noteworthy acts to be listed as electoral crimes are:

1. Requesting votes in exchange for payment, gratification, or a promise of payment or gratification.

2. Those ministers of religious organizations who, during acts of their ministry, influence their followers to vote for or against a specific candidate or political party or to abstain altogether, will be sentenced to 500 days in jail or an equivalent fine.

3. Altering election results and removing or destroying ballots or electoral documents.

4. Disseminating false information regarding the election process or its results.

5. Forcing subordinate government employees to vote in favor of a specific political party or candidate;

6. Conditioning the rendering of public services or the completion of plans or projects in order to force voters to vote for a specific political party or candidate.

7. For public officials to use government funds, assets, or services assigned to them due to the nature of their position to support a political party or candidate or to do so using subordinate personnel during working hours, notwithstanding any other penalties that could derive from charges of embezzlement; those assets may include vehicles, buildings, and equipment, and there will be no bail for those detained on such charges.

8. Altering voter registration lists and tally sheets or issuing illegal voting credentials; such crimes shall be punished with three to seven years in prison.

Legislators from all parties expressed their opinion during the Permanent Congressional Commission's debate.

## Mexpetrol Negotiating Purchase of Cuban Refinery

*PA1903031394 Mexico City EL FINANCIERO in Spanish 16 Mar 94 p 17*

[Article by R.E. Arroyo and C. Raygoza]

[Text] The Mexpetrol S.A. Group is on the verge of purchasing a refinery located in Cuba's Cienfuegos Province, sources close to the negotiations told the FINANCIAL SATELLITE NEWS SERVICE (FINSAT).

Mexpetrol authorities have declined to comment on the report and have referred questions on the matter to Mexican Petroleum (Pemex), which owns 25 percent of Mexpetrol's stock. In turn, the Pemex public relations office would only say: "This is a sensitive issue, and we have been instructed to deal with it cautiously."

Meanwhile, National Foreign Trade Bank (Bancomex) officials said: "Cuba and business Mexico conducts with the Caribbean island are sensitive issues in light of our country's current relations with the United States." Bancomex is another government partner of Mexpetrol, holding 5 percent of Mexpetrol stock.

According to information supplied by officials familiar with the negotiations who requested anonymity, "one of the stumbling blocks to concluding the talks is that the Cuban authorities are asking a very high price for some installations that have obsolete technology"; these officials refused to give specific amounts.

The refinery in question has a 60,000 barrel per day [bpd] heavy crude processing capacity, which is similar to the capacity of Pemex's Maya refinery. Industry sources place its value between $15 and $200 million [figures as published].

The U.S. publication "The Latin American Energy Alert" which circulates in North America has disclosed that Mexpetrol authorities met with Cuban authorities in Havana in February to discuss the possible purchase. It appears the refinery currently operates at half of its installed capacity by producing 60,000 bpd [as published]. According to the publication, the Cuban Government will sell the Cienfuegos refinery in exchange for Mexpetrol's promise to release part of the refined production to the island for internal use. Once refined, the remaining crude would be exported and marketed in Mexico.

The Cienfuegos refinery was designed with Soviet technology. It previously processed Venezuelan crude when Venezuela sold its products to the then-Soviet Union, and from this fact it is assumed heavy crude will continue to be processed at the refinery.

Currently, Pemex hold 25 percent of Mexpetrol's stock while Bancomex and the Mexican Petroleum Institue hold 5 percent apiece. The rest of the stock is held by the Mexican construction companies Protexa, Bufete Industrial, Ingenieros Civiles Asociados, and Equipo

Petroleros Nacionales. Up until last year the Lanzagorta group held 13 percent of Mexpetrol stock, but at the beginning of 1993 it sold its holdings and withdrew from the company. Before now, this has never been officially reported.

### Nuevo Leon, Tamaulipas Made Migrant Entry Points

*PA2003131494 Mexico City NOTIMEX in Spanish 2225 GMT 18 Mar 94*

[Text] Reynosa, 18 Mar (NOTIMEX)—Foreigners who wish to travel through Mexico to other countries as migrants will only be able to enter the country at customs stations in Colombia, Nuevo Leon and Lucio Blanco-Los Indios de Matamoros, Tamaulipas beginning next Monday.

In a communique issued by the Mexican Consulate in McAllen, Texas, the Mexican Finance and Public Credit Secretariat (SHCP) said this measure had been agreed upon to avoid the jams that have occurred at the Reynosa and Matamoros, Tamaulipas custom stations. The document explained that they are trying to ease and control the international movement of people and merchandise from the United States to Central American countries through Mexican territory.

Based on Article 116 paragraph one of the Customs Law, foreigners who want to enter Mexico at border points between Acuna, Coahuila and Matamoros, Tamaulipas will be able to do so at the previously mentioned customs stations.

The SHCP also said the Lucio Blanco-Los Indios crossing is part of the Matamoros Customs Office and the facilities at the Colombia, Nuevo Leon Customs Office are adequate and are open 24 hours a day.

The communique said that once foreigners are given migrant status, they can take their equipment with them but they will have to request a 10-day temporary permit for the vehicle they are travelling in. It added that people interested in moving merchandise through Mexico should consult a customs agent, who will take care of the necessary procedures at both customs offices.

### Tariff Eliminations To Be Extended to GATT Members

*PA1803162894 Mexico City EL FINANCIERO in Spanish 15 Mar 94 p 18*

[Report by Lucia Domville]

[Text] Mexico intends to extend its policy of custom tariff eliminations for sensitive agricultural products negotiated under the North American Free Trade Agreement (NAFTA) to the 118 member countries of the General Agreement on Tariffs and Trade (GATT).

Custom tariffs will remain greater for products such as fresh cheese, grapes, coffee, wheat, and cigarettes than those agreed upon at the multilateral level, a policy which is intended to protect national industry.

Sources close to the Commerce and Industrial Development Secretariat (Secofi) have said despite the commitments decided during the Uruguay Round of agreements, there will be no negative impact on the Mexican agricultural sector, because nearly 80 percent of the trade in this area is with the United States and Canada.

The Uruguay Round of negotiations, which concluded on 15 December, were incorporated into the text of the Free Trade Agreement between Mexico, the United States, and Canada.

Experts on the issue have said despite the fact the multilateral negotiations were less in-depth than the ones that took place at the trilateral level, Mexico had to compromise on deregulating agricultural products included in NAFTA. This means as of 1 January 1995, when the World Trade Organization (WTO) [Organization Mundial de Commercio] is scheduled to become effective, any of the 118 GATT member countries will be able to export sensitive agricultural products to Mexico if they decide to pay the custom tariffs.

Goods which for years were protected as part of the country's national development strategy and are now open to international trade include: corn, beans, malt, barley, poultry, turkey, animal fat, and potatoes. The negotiated tarrifs, despite Mexico's opposition to tax sensitive products, fluctuates between a minimum of 128 percent for barley and 282 percent for animal fat.

The only agricultural products for which Secofi negotiators were able to ensure tariffs greater than those granted to the United States and Canada as part of the NAFTA agreements include: fresh cheese, with 139 percent, which in NAFTA was downgraded to 40 percent; grapes, 50 percent, up from 20 percent in NAFTA; coffee, with 80 percent, up from 20 percent in the free trade agreement; wheat, 74 percent, up from 15 percent during the trilateral agreement; and cigarettes, 75 percent, up from 50 percent during the trade pact.

This means implementation of noncustom tariff barriers despite Mexico's opposition along with Canada, Korea [north or south not specified], and Japan. In exchange, Mexico was able to incorporate all NAFTA agricultural quotas as part of its commitments with GATT.

The reduction in agricultural products, which will allow an increase in agricultural exports from third countries to Mexico, are not expected to hamper national industry, because the basis for trade transactions will take place as per consolidated tarrifs, not according to applied tariff levels. Mexico has consolidated tariff totals by 50 percent, while applied tariff levels fluctuate between 10 and 20 percent.

According to GATT estimates, world trade between 1985 to 2000 is forecasted to grow by 12.4 percent, an

estimated increase in the world's annual gross national product totaling $230 billion.

Mexico negotiated the Uruguay Round as part of a bloc of developing countries, although individually was able to ensure agricultural tariff concessions from Switzerland, Australia, the Soviet Union, Japan and the Nordic countries.

Switzerland decreased its importation of Mexican products such as natural honey, melons, papayas, avocados, skins of citrus fruits, and cotton by more than 36 percent.

Australia cut its importations of frozen strawberries, frozen orange juice, rum, and taffia by more than 20 percent.

On average, the European Union decreased its importation of goods such as natural honey, coffee, tobacco, avocados, safflower oil, guava jelly, mangoes, frozen broccoli, horse meat, roses, gladiolus flowers, carnations, frozen orange juice, pineapples, papaya, and mushrooms by 31 percent.

Secofi sources believe Mexico is in a position to increase its international market share in sectors that have definite competitive advantages such as textiles, garments, agricultural, food, and beverage products.

## El Salvador

### TSE Releases Preliminary Election Results

#### ARENA Shown Leading

*PA2103061494 San Salvador Radio and Television Networks in Spanish 0447 GMT 21 Mar 94*

[News conference by magistrates of the Salvadoran Supreme Electoral Tribunal, TSE, from the Presidente Hotel in San Salvador—live]

[Excerpts] [TSE President Luis Arturo Zaldivar Romero] Mr. President of the Republic; Messrs. members of the diplomatic corps; Messrs. visiting observers and personalities; Messrs. of the media; ladies and gentlemen:

On this glorious 20 March, we are concluding a vital process for the life of our beloved El Salvador. The Salvadoran TSE, for the past two years and plus days since it was installed, after being born to the country's juridical life as a result of the constitutional reforms stemming from the peace agreements about which we all know, has worked very arduously to reach this day when we, the TSE magistrates and all the personnel working in it, feel very pleased. We feel very pleased for having delivered to our country, because we have worked arduously in a clean and honest effort to ensure the obtained results are also the result of a free and just election, very clean and honest.

Your presence reaffirms, based on the expressions we heard on this day, that we did things well, that we did not fail our homeland. Behind that backdrop, we will proceed in this plain but solemn ceremony for our country's life, because we think this 20 March will go down in the history of not only El Salvador or America but of the entire world, because we want to be an example for the world.

To not tire you, we will proceed with the core of this ceremony. We will start to give results shortly of the various vote count certificates of the Voting Table Boards and a few of the Municipal Electoral Boards that we are receiving.

I know we are all impatient to learn about those results. They will arrive. Let's wait for a moment to allow the company that specializes in computer sciences which we have hired to develop what we all want to see through the computer program; in fact, this will be the reflection of the verdict of the Salvadoran people. This will install the authorities who managed to win the Salvadorans' will and trust to consolidate democracy in our country and the much- longed for peace which we know has arrived for all Salvadorans. Thank you very much. [applause] [passage omitted]

The following are the results after the votes cast at 870 Voting Table Boards, the equivalent of 12.45 percent of the total vote, were counted and processed: ARENA [Nationalist Republican Alliance]—91,069 votes; the Coalition [Democratic Convergence-Farabundo Marti National Liberation Front]—51,039 votes; MAC [Authentic Christian Movement]—1,111 votes; the Unity Movement—4,248 votes; the National Solidarity Movement—1,471 votes; the PCN [National Conciliation Party]—6,574 votes; and the PDC [Christian Democratic Party]—22,282 votes. Total valid votes: 177,794.

#### Zamora Rejects ARENA Victory

*PA2103043094 Panama City ACAN in Spanish 0342 GMT 21 Mar 94*

[Text] San Salvador, 20 Mar (ACAN)—Ruben Zamora, presidential candidate of the Salvadoran left, has said there will be runoff presidential elections, and he rejected the ruling ARENA [Nationalist Republican Alliance] party has won the elections.

Zamora has added there were serious irregularities, as former guerrilla commanders reported earlier, that prevented thousands of people from casting their votes. He has vowed these irregularities will not happen again in the runoff elections, which he expects to win with the support of other opposition forces.

#### Ex-Guerrilla Leaders Decry Elections

*PA2103012994 Panama City ACAN in Spanish 0030 GMT 21 Mar 94*

[Text] San Salvador, 20 Mar (ACAN)—Leaders of the former Salvadoran guerrillas have launched strong criticisms against the organization of the general elections which took place on 20 March in El Salvador. They have said the elections "are unacceptable" and that they would be contested in other countries.

Former guerrilla Commander Joaquin Villalobos, leader of the Farabundo Marti National Liberation Front (FMLN), has accused the conservative and ruling ARENA [Nationalist Republican Alliance] party of plotting to reduce the number of voters. He added "many people were unable to vote."

#### ARENA Falls Short of 50 Percent

*PA2103145194 San Salvador Radio Cadena YSKL in Spanish 1259 GMT 21 Mar 94*

[Text] ARENA [Nationalist Republican Alliance], the ruling party, was unable to maintain the absolute majority it obtained when the official vote tally for Sunday's elections started; and the results indicate a runoff election will be needed. ARENA, with a conservative ideology, continues to drop little by little from the 51.22 percent it initially had when 50.31 percent of the votes were counted and as the vote tally continues. The Salvadoran electoral law stipulates a runoff election must be held between the two leading candidates if none of the seven candidates who participated in the elections obtain more than 50 percent of the votes.

Former San Salvador Mayor Armando Calderon Sol, 45, expected to win the first round while his main opponent,

leftist coalition candidate Ruben Zamora, will regroup for the runoff election and try to win it with the support of other opposition groups. Zamora, a combative 52-year-old politician who has lived in exile, has 27.85 percent of the votes in the presidential elections, and it is likely his vote percentage will also drop.

His closest rival, Christian Democrat Fidel Chavez Mena, has 13.98 percent; and votes for the candidates of four minority parties totals less than nine percent. There was 46.9 percent abstentionism and this figure is considered high given the expectations raised by the first elections to be held in El Salvador following the 1992 Peace Accords. The leftist coalition attributed the low voter turnout to critical mistakes in the voter registration list, which prevented thousands of citizens from exercising their right to vote. Specifically speaking, the Farabundo Marti National Liberation Front, FMLN, a former guerrilla organization that disarmed and became a political party a year ago, blamed ARENA for the irregularities and accused it of fraud.

Referring to the elections for Legislative Assembly deputies and municipal officials, the percentages are similarly distributed to the presidential election votes, with an overwhelming advantage for ARENA. In the deputy elections, the Conservative Party obtained 45.35 percent; the left, 31.15 percent; and the Christian Democracy, 14.51 percent; while municipal power is distributed in this manner: 44.65 percent for the conservatives; 26.61 percent for the coalition; and 17.39 for the third group.

These results do not offer ARENA much of a difference compared with the previous presidential elections held in 1989, in which Alfredo Cristiani—who will relinquish the presidency on 1 June—won the post in the first round with 53.8 percent of the votes.

Calderon Sol avoided claiming a victory in his first statements after the official tally began, waiting until the results are confirmed, but he criticized the Zamora's predictions concerning the certainty of a second round of elections. "It is clear the people still prefer us," Calderon Sol said and then he thanked the Cristiani Government, also of ARENA, for its successful administration of the country.

Sunday's elections, watched by a contingent of 3,000 UN and foreign government and organizations observers, were the first electoral test for the FMLN, which obtained better results than those predicted by polls.

Calderon Sol advocated a program that continued Cristiani's liberal economic experience, while the FMLN and the two social democratic parties that support Zamora want to implement a much more social policy, aimed at solving the people's critical needs.

Aside from the criticism about irregularities voiced by the left, the tranquillity which prevailed in Sunday's elections was praised by most of the political groups and the UN Observers for El Salvador (Onusal). Onusal issued a communique highlighting the absence of critical incidents and the peace and freedom with which 2.5 million Salvadorans summoned to the elections cast their ballots.

### FMLN Envoy: ARENA Bought Votes

*PA2103151394 San Salvador Radio Cadena YSKL in Spanish 1350 GMT 21 Mar 94*

[Text] Today, Sergio Cerbello, Farabundo Marti National Liberation Front [FMLN] representative to Europe, accused the Nationalist Republican Alliance [ARENA] of buying votes in the 20 March elections in El Salvador. Cerbello, who gave an interview following a telephone conversation with Ruben Zamora, candidate for the leftist coalition which also includes the FMLN, expressed his confidence that a second round will be necessary to elect a president because none of the candidates have won an absolute majority.

Sergio Cerbello, who is in Madrid at the invitation of the Spanish United Left coalition (led by the Spanish Communist Party), expressed surprise for victory statements made by ARENA, the official party, since the Supreme Electoral Tribunal has not released definitive results yet.

In light of the high abstentionism rate registered during the elections—approximately 47 percent—Cerbello said "it was the same as other elections held in the past ten years." Therefore, both the left and the right should concede that "they have not been able to motivate the people to vote."

Regarding leftist candidate Ruben Zamora's chances vis-a-vis ARENA candidate Armando Calderon in a possible runoff for the presidency, Cerbello said that "it all depends on the Christian Democracy Party [PDC]. The PDC representative in Europe has guaranteed me that the PDC will support Ruben Zamora, but they cannot guarantee people will comply with the party's instructions."

Cerbello announced that if the need for a second round is confirmed, Julio Anguita, leader of the Spanish United Left coalition, will travel to El Salvador to support Ruben Zamora in his race for the presidency.

### Commentary Attacks TSE's News 'Gagging'

*PA2103015194 San Salvador Radio Cadena YSKL in Spanish 0026 GMT 21 Mar 94*

[Commentary by Raul Beltran]

[Text] The Supreme Electoral Tribunal [TSE] is unhappy. It says we cannot report the data coming from the Voting Table Boards; that is what the TSE is saying and is threatening to take action against the radio station. I would like to tell the TSE gentlemen that the political parties not the news media have accepted that law, a law that gags the freedom of thought to broadcast facts, which have already turned into news after the voting ended. So as not to cause problems to this

company, I am henceforth going to be silent on the survey and the results coming from the Voting Table Boards from all over the country. I only have one thing to say to the TSE gentlemen, who are supposedly living in a democratic country: Not even the country's most sinister criminal dictatorships kept the news media from reporting the results that came from the Voting Table Boards. That is what you, TSE gentlemen, have done. I am publicly asking you, for tomorrow and the next elections, to correct the tremendous disarray you generated, as thousands of Salvadorans did not appear on the voting lists. Before gagging the news media, correct the disarray inside the TSE for the sake of all Salvadorans. Colleagues from this station all over the country, we will keep our information to ourselves. One has to express regret that politicians of the TSE and the parties have accepted a law that is not for the news media. The news media and the people's will must not be gagged. That is the sad thing.

TSE gentlemen, allow me to repeat this: Not even the country's most sinister and criminal tyrannies succeeded in subduing the news media, as you have tried to do today. Long live freedom of expression, something for which we will fight tirelessly from this trench. I regret the conduct and pseudolegal position of the TSE gentlemen.

## Parties Dispute Election 'Irregularities' 20 Mar

### Zamora Detects Soldiers at Polls

*PA2003190994 Panama City ACAN in Spanish 1801 GMT 20 Mar 94*

[Text] San Salvador, 20 Mar (ACAN-EFE)—Today, Ruben Zamora, Salvadoran presidential candidate for the leftist coalition that includes former guerrillas, reported the presence of soldiers at several voting centers in the interior of the country even though this presence is prohibited by the electoral laws. At a news conference, Zamora said: "We are concerned that we have detected a military presence in urban centers in seven towns in the departments of La Union, Chalatenango, Ahuachapan, Cabanas, San Vicente, Cojutepeque (Cuscatlan), and San Martin (Cuscatlan)."

At least 2.5 million Salvadorans will elect a new president, vice president, 84 Legislative Assembly deputies, 262 municipal mayors, and 20 representatives to the Central American Parliament (Parlacen) in the first elections since the civil war (1980-92).

According to the peace agreements signed by the government and the Farabundo Marti National Liberation Front, FMLN, in January 1992, the new National Civilian Police (PNC) should be solely in charge of public security, but since the PNC has only been deployed in seven of the country's 14 departments, the old National Police also participates in those tasks. A total of 8,000 members from these two organizations are in charge of security for the elections.

Zamora also reported other "irregularities" in the voting, like propaganda "abuse" by the ruling Nationalist Republican Alliance (rightist ARENA). He said, "The law absolutely prohibits this." He also reported an excessive number of cars with ARENA banners and symbols and a delay in opening voting centers, which has "hindered" the people's right to vote.

Zamora also asked the Supreme Electoral Tribunal (TSE) to provide voters with more transportation because, according to him, this is another problem in the electoral process. Despite these charges, Zamora said he can give "a positive assessment of the process," and he added that no major incidents have occurred in the centers where the 6,981 voting tables are installed.

### FMLN's Alegria Reports

*PA2003223194 San Salvador Radio Cadena YSKL in Spanish 2022 GMT 20 Mar 94*

[Report by Juan Antonio Alvarado from La Paz Department; from the "YSKL 94 Electoral News Coverage" program]

[Text] Despite the apparent normalcy in the electoral developments in this department's municipalities, Jose Gilberto Alegria, Farabundo Marti National Liberation Front [FMLN] deputy candidate, has reported certain irregularities in this election.

[Begin Alegria recording] All municipalities have reported three irregularities. First, ARENA [Nationalist Republican Alliance] representatives have been spreading propaganda and handing out fliers at all polling stations. During the predawn hours, ARENA supporters painted slogans and posted posters.

Second, in all of the municipalities there were delays in setting up Voting Table Boards. There is a report from Chinamequita, for instance, where by (?0820) the Voting Table Board had not been installed. Also, at the same time, ARENA held a meeting in the mayor's office with all its supporters where the packages that had to be delivered to the Voting Table Board were held, but these packages had not been delivered.

Third, there have also been constant problems in three [number as heard] municipalities: La Herradura, San Juan Talpa, San Pedro Masahuat, and San Pedro Nonualco, where ARENA representatives have bought votes. There have been reports of people voting up to three times. There are also irregularities in such municipalities as San Juan Nonualco and San Rafael Obrajuelo concerning the order of ballot numbering; in addition, concerning San Juan Nonualco and San Rafael Obrajuelo, especially San Juan de Nonualco, there have been ballots for deputies on which the FMLN flag does not appear. [end recording]

Gilberto Alegria, who is running for deputy on the FMLN ticket in La Paz Department, has called on the people to come out and vote.

## TSE Denies Soldiers at Polls

*PA2003224194 Panama City ACAN in Spanish 2155 GMT 20 Mar 94*

[Text] San Salvador, 20 Mar (ACAN)—The Supreme Electoral Tribunal (TSE) denied today there are soldiers outside their barracks in reply to left-wing claims about a military presence at certain polling stations.

TSE Magistrate Eduardo Colindres told ACAN-EFE at the voting sites [colegios electorales] "the police are tasked with looking after the people's safety, and I can assure you the Army is not there."

Shortly after the general elections started today in El Salvador, Ruben Zamora, presidential candidate for the leftist coalition, which comprises former guerrillas and the Social Democracy, claimed soldiers were present in seven countryside towns, although this is banned by the Electoral Law.

Francisco Flores, deputy candidate for the ruling Nationalist Republican Alliance (right-wing ARENA), also told ACAN-EFE there is no military presence in the countryside but added certain policemen are clad in olive-green uniforms, and this makes them resemble soldiers. Flores said "this does not imply an Army presence."

At least 2.5 million Salvadorans will elect today, in the first elections since the civil war ended, a new president and vice president, 84 deputies to the Legislative Assembly, 262 municipal mayors, and 20 representatives to the Central American Parliament (Parlacen).

The TSE, government, political parties, and UN observers have reported the elections have progressed normally so far, without any serious incidents.

## Poll Watchers Reportedly Expelled

*PA2103011694 San Salvador Radio Cadena YSKL in Spanish 2351 GMT 20 Mar 94*

[From the "YSKL 94 Electoral News Coverage" program]

[Text] Certain Voting Table Boards are expelling poll watchers [vigilantes] from the premises, an act that goes against the law. The poll watchers have been appointed specifically to observe the vote count and even vouch for its authenticity with their signature, if required.

I repeat: Poll watchers cannot be removed from voting sites. This is a tremendous mistake that may result in any party that may suffer from this filing an appeal for annulment. This is taking place in the Republica de Brasil School and the Manuel Jose Arce Institute. They have even gone as far as to try to expel the press from those premises.

## Cristiani Discusses Upcoming Elections 19 Mar

*PA1903041594 San Salvador Radio and Television Networks in Spanish 0200 GMT 19 Mar 94*

[Message to the nation by Salvadoran President Alfredo Cristiani; date and place not given—live or recorded]

[Text] Salvadoran brethren: Next Sunday, 20 March, is a very special date on the historic calendar of our fatherland. Since 28 March 1982, we Salvadorans have been making great and permanent efforts to establish and develop democracy in our country. We have been successful in our endeavor. We have been able to gradually legitimize the electoral system, which has resulted in governments originating directly from the will of the people. Within that framework of legitimacy, it was possible to promote the process that led to the attainment of peace in our country.

Without democracy, peace would have been impossible. Democracy is the work of the people who made great sacrifices for the sake of democracy. Peace, therefore, is also the work of the people who have accepted it as something that belongs to them. We must defend and strengthen it in a process that will lead us to definitive political and economic stability with opportunities of liberty and progress for all.

Within that process, Sunday, 20 March is a day of great responsibilities and possibilities. The elections for president and vice president of the Republic, for deputies to the Legislative Assembly, and for municipal councils throughout the country will take place on the same day as the result of a very fortunate concurrence of the electoral calendar as established by the Constitution. It is a day when all elected offices will be renewed. To this we add the significant fact that these elections are the first to be held free of the dark scenario of the war behind us.

The electoral system has been improved by the constitutional reforms, which fully guarantee that the elections will be honest and functional, with the vote of each citizen in every part of the country being valuable and secured and contributing to the general will, which is what will decide who should lead the fate of the country from the various posts in the years to come.

Thus, this is a great opportunity to continue consolidating our democracy, and that is why it is such an important responsibility to go to the polls to vote. That vote is the only legitimate weapon of citizens who want to build a fatherland with freedom, security, and stability.

This Sunday, young people, adults, and the elderly—women and men—must go to the polls. With our votes we will decide on the leadership of the next government. We will do it with our votes, not with weapons. We will do it with the force of reason, not with unreasonable force. Nobody should exclude himself from this great task. Abstention is self-exclusion, and nobody wins by it, much less the nation.

Dear fellow countrymen; everything is prepared so Sunday's elections will be exemplary. The electoral and security mechanisms are ready to guarantee the honesty and tranquillity of the elections. In addition, the eyes of the world are on these elections, which are taking place within the framework of pacification that has merited the respect and admiration of the international community.

In this context, we want to commend the work of the Supreme Electoral Tribunal, which has efficiently fulfilled its role. The legitimacy of the process and the free expression of Salvadorans is guaranteed.

Fellow countrymen; all that remains to be done is for you to go to your polling station next Sunday and freely cast your vote according to your conscience and inclination. Go with your family members, with your children, because an election such as the one to be held on 20 March should be a lesson in civics with mutual respect and joy. Among us we are building the fate of our beloved El Salvador. Do it while thinking of your future and the future of our dear fatherland.

Go and vote, as everyone who wants a better country will do. We want a humane, harmonious, and peaceful country. Let us all remember that we are all brothers at the polls for the sake of El Salvador. May God enlighten your decision on 20 March.

## TSE News Conference on Election Eve

*PA2003021194 San Salvador Radio Cadena YSU in Spanish 2316 GMT 19 Mar 94*

[News conference by Salvadoran Supreme Electoral Tribunal, TSE, magistrates, headed by TSE President Luis Arturo Zaldivar, with unidentified reporters at the Presidente Hotel in San Salvador—live]

[Text] [Zaldivar] [Words indistinct] this call from the Salvadoran Supreme Electoral Tribunal to inform you of a resolution we issued today at 1300, which we believe is very important for the electoral process that will culminate on 20 March. The resolution reads as follows:

After studying the case of Arcatao, San Jose de las Flores, San Isidro Labrador, and Nueva Trinidad Municipalities, all in Chalatenango Department, and for what the TSE believes are extenuating circumstances in those places, we resolve:

That the 20 March elections in those municipalities be held simultaneously in the departmental capital of Chalatenango as well as in the respective municipalities.

The TSE will be in charge of transporting the members of the Voting Table Boards and the party poll representatives with the support of Salvadoran Air Force helicopters.

Once the voting is over in those municipalities, the ballot boxes and other electoral documents, as well as the members of the Voting Table Boards and party poll representatives, will be transferred by the same means to the departmental capital. Once there, they will proceed, according to the law, to open the ballot boxes, count votes, and issue the closing and vote count certificate, which should include the election results in the respective municipalities and in the departmental capital and which should be signed by all members of the Voting Table Boards.

The security and the personal and moral safety of the members of the Voting Table Boards, party poll representatives, and Air Force crew members who will transport the personnel and electoral documents, as well as the safety of the helicopters, will be the responsibility of the mission of UN Observers for El Salvador, Onusal. For notification:

This is the TSE resolution issued this afternoon in an effort to find a satisfactory solution according to Salvadoran law. We are sure we have found a solution within the legal framework by establishing voting procedures that take the requirements and conditions in those places into consideration but which also respect our laws. That is the announcement we wanted to make. We urge you to inform the Salvadoran and international public.

[Reporter] It was said that conditions were not right for holding elections in those municipalities. What has changed?

[Zaldivar] The solution says that extenuating circumstances persist. It is clear in the resolution.

[Reporter] What factors made you change your mind?

[Zaldivar] We have not changed anything. We have maintained the participation of voters residing in the departmental capital and the integration of the Voting Table Boards in the departmental capital for each of those municipalities. This has not changed. We are also giving facilities to those sectors who protested saying that they live in those places. Well, those who live in Arcatao will vote there; and voters from Arcatao who live in the departmental capital of Chalatenango will vote in Chalatenango.

As I said, the resolution is intended to provide facilities so all voters legally registered in the Electoral Registry and who have a voter registration card can vote wherever they are.

[Reporter] What extenuating circumstances [words indistinct] for the next government?

[Zaldivar] No. I can mention two extenuating circumstances—as stated in the TSE's initial resolution—for the transfer of the members of the Voting Table Board from the municipalities to the departmental capital. The Municipal Councils of those four municipalities are not handling their official business in their respective municipalities but in the departmental capital. They have not been able to return. It has not been possible to install the municipal electoral boards in those municipalities and their activities are being handled in the departmental capital. We have received notes from those municipal electoral boards saying that they are in exile.

[Reporter] What kind of controls will there be to prevent people from voting twice, as some will be voting in the departmental capital and others in the municipalities? [Words indistinct] to control that possibility?

[Zaldivar] There will be controls throughout the country. Our voting system uses indelible ink, which ensures that each person can vote only once, not only in this case but throughout the country. Immediately after a person votes, his finger will be stained with indelible ink. Should he try to vote at another voting table, the first thing he will be asked to do is to show his hands to make sure that his finger is not stained with indelible ink.

[Reporter] In general terms, how are preparations for tomorrow proceeding at the national level? Some irregularities have been reported with the electoral register [words indistinct] total number of voters?

[Zaldivar] Magistrate Colindres will answer that question.

[Colindres] As far as I know, complaints have been received from San Antonio de los Ranchos and Las Vueltas involving the electoral list. What happened? Certain citizens—to be more precise, a little over 16,000 citizens—requested voter registration cards and said they wanted to vote in a given municipality. After they received their voter registration card, they decided they wanted to vote in another municipality. When the TSE realized that these people had received their voter registration cards and then asked to vote elsewhere, it excluded them from the list of the place where they had received their voter registration card and then issued them another voter registration card so they could vote in the other municipality. Otherwise, these persons would end up with a voter registration card for the first place and one for the new place. Consequently, to guarantee....[pauses] As soon as a new voter registration card is issued, the previous one is eliminated. That is what happened with the 16,000 citizens who decided to change their polling place.

[Reporter] Dr. Zaldivar, refugee liaison boards claim you have blocked the work for which they were elected because you do not want to accredit them to supervise the implementation of [words indistinct] the country's elections?

[Zaldivar] The Pollwatchers Board members were sworn in on 26 May 1993 and have been accredited and working within the TSE since then. The Pollwatchers Board is made up of a representative and an alternate for each of the legally registered political parties. I do not know what they mean when they say they have not been accredited.

[Reporter] Commander Gerson Martinez said you did not want to accredit the alternate members so they could work.

[Zaldivar] They were accredited. I do not know what kind of accreditation they have in mind. They are working....[pauses] I personally swore in Gerson Martinez—all of them—on 26 May, so I do not know what accreditation they have in mind.

[Reporter] Dr. Zaldivar, there were some complaints from Jutiapa, Cabanas Department. Apparently some of the ballots did not include the MNR [National Revolutionary Movement] flag. Do you know about that?

[Zaldivar] No, we know nothing about it.

[Reporter] Dr. Zaldivar [words indistinct] at the last minute concerning different polling places in the country. People in [name indistinct] municipality complain that the logistics failed there because they have yet to receive what the TSE promised them.

[Zaldivar] What municipal voting board?

[Reporter] There are reports from the representatives of the...

[Zaldivar, interrupting] No, I mean what department.

[Reporter] [Words indistinct]

[Zaldivar] What was their complaint, please?

[Reporter] They complain about logistics problems. They have yet to receive the material they were promised and they lack the human resources to handle tomorrow's elections.

[Zaldivar] No, quite the contrary. The president and two members of the electoral board in San Salvador visited us at noon today. They came to report something we had learned of only minutes earlier, through the electoral project's management office. They said the Francisco Menendez National Institute had not been opened, and the electoral material could not be brought in. I immediately contacted the appropriate official, meaning the education minister, and the pertinent orders were given. We were surprised to learn that a polling place....[pauses] an education center that was publicly mentioned in this week's newspapers as one of the Education Ministry facilities requested by the TSE was not open.

The Education Ministry publicly listed the education centers that would be used as polling places, and the Francisco Menendez National Institute was among them. Consequently, the minister issued the necessary orders and the facilities were opened minutes later. All the material has been delivered and is ready for tomorrow at 0600, when the Pollwatchers Board will be installed so voting can begin at 0700.

[Reporter] Dr. Zaldivar, what will happen in the case of Jutiapa Municipality, for example, where apparently the MNR flag does not appear on the ballots for municipal councilmen? Will Article 325 of the electoral code be implemented to suspend the voting process? That is, if this is true, since the reports we have are unofficial.

[Zaldivar] First of all, I cannot answer because we have no official or unofficial report on the incident. We knew

nothing about this situation until now. Any case that may arise will be analyzed based on the legal provisions, and it will also be settled based on the same legal provisions.

[Reporter] Dr. Zaldivar, this morning Dr. Zamora reported a series of irregularities concerning the electoral material [words indistinct] will be used tomorrow. He also spoke about transportation for the voters. Have you solved the irregularities [words indistinct] meeting this morning?

[Zaldivar] Yes. The truth is that we did not discuss any irregularities. The most important topic of discussion was the Chalatenango municipalities. We could hardly refer to events that have not happened yet. For us, facts are only what is officially known and confirmed.

[Reporter] Do you think the measures taken in Chalatenango contribute to reconciliation or polarization? Also, is there a formal agreement among all the parties? Did your people consult all of the parties, including the FMLN, for this effort?

[Zaldivar] The code very specifically states that the determination of extenuating circumstances and their subsequent resolution are the exclusive responsibility of the TSE. Nevertheless, this tribunal has consulted the political parties when it has made decisions about the elections. One example is electoral procedure. Although the code empowers us to establish procedures for these elections, we have consulted the political parties. They have even signed records of these consultations expressing their acceptance of the election procedure. The same is true of other activities, which, although our authority is exclusive, we shared with the political parties.

[Reporter] I also asked you if you think these measures contribute to reconciliation or polarization in these municipalities.

[Zaldivar] We are convinced that this contributes to reconciliation because we are allowing voters to cast their votes in their areas of residence. In addition, voters who have reason not to return to their municipalities can cast their votes where they feel safer. I think both groups will feel safer.

[Reporter] How many voter registration cards must still be distributed?

[Zaldivar] I would like to clarify that there is nothing left to distribute because the deadline expired at 0000 on 17 March. We distributed 825,000 voter registration cards, which exceeds our goals.

[Reporter] How soon does the TSE expect to have the (?election figures?)

[Zaldivar] Well, as soon as possible. This is not a definite time, of course, but we expect to have results by 2200. We do not expect to announce final results by that time. We hope to be able to announce any wide margins in the vote count.

[Reporter] [Words indistinct]

[Zaldivar] There are 2,722,000 registered voters. I have said that 825,000 voter registration cards have been issued as part of the registration drive.

[Reporter] How many cards have been issued in the country?

[Zaldivar] A total of 2,600,000 persons have their cards. The figure I gave previously is the number of cards issued in the past few months. This figure, plus the cards that had already been issued, means that 2.6 million Salvadorans will cast their votes.

[Reporter] The opposition parties tried to introduce a proposal whereby 60,000 youths who turn 20 would be permitted to vote. What happened to that legislation?

[Zaldivar] You said it. They tried to introduce a proposal. The current law does not permit that.

[Reporter] [Words indistinct]

[Zaldivar] Let us not confuse things. The code does not say the blind cannot vote.

[Reporter] How could they?

[Zaldivar] We do not have a special procedure in the code or in Salvadoran electoral law to make it possible for the blind to vote. Guatemala has incorporated the Braille system onto the ballot so the blind can vote. In El Salvador, however, the blind are very smart. It is not necessary to mark a flag. You can even fold the blank ballot and put it into the ballot box. If he can make a mark, he can also do this. Their teachers could have instructed them on the approximate location of the blind person's party flag. In addition, they can be aided by a seeing person both in arriving at the Voting Table Board and also going into the voting booth, where he can make his mark by himself. Then his seeing companion will accompany him to the ballot box where he will cast his vote. It is perfectly possible for a blind person to vote.

[Reporter] Mr. President, what is the total number of voting tables for tomorrow's elections?

[Zaldivar] There are 6,981 tables.

[Reporter] What did you talk about with [words indistinct]? Did it have anything to do with the municipalities?

[Zaldivar] No. They came to request information. The secretary was preparing the final draft of the resolution as they arrived, so there is no relationship.

## TSE Says Second Election Round Possible 24 Apr

*PA2003141994 San Salvador EL DIARIO DE HOY in Spanish 19 Mar 94 p 7*

[Text] The Supreme Electoral Tribunal (TSE) reported that in the event there is no absolute winner in the 20 March presidential elections, a second electoral round is

scheduled for 24 April. TSE President Dr. Arturo Zaldivar said the TSE has everything ready for a second round.

Political party representatives who were asked, however, listed the inconveniences a second round would cause. Therefore, they have asked citizens to make every effort to vote on Sunday to decide once and for all their future. A second round would cause generalized uncertainty, directly affecting investments. Likewise, new elections would freeze bureaucratic work. Just organizing a second round would cost millions [currency not specified]. The parties would have to spend money on new propaganda. Citizens would be again exposed to partisan propaganda. Voters would have to face further discomfort.

Zaldivar, on the other hand, rejected a possible FMLN [Farabundo Marti National Liberation Front] election challenge in Chalatenango Department. The FMLN are dissatisfied about concentrating four municipality voting sites in the department's capital. Zaldivar said it is not true that the UN is pressuring them to leave the polling stations in Arcatao, San Jose las Flores, Nueva Trinidad, and San Isidro Labrador. "We do not accept domestic or foreign pressures," the official stated.

He said the FMLN has no possibility of challenging the elections there because the TSE is in compliance with the law. On this Zaldivar said: "Challenges are made when the law is disregarded. We are obeying the law." He added that the general rule is that voting should occur in the municipalities but the same law covers exceptions. It states that voting places may be changed due to unforeseen circumstances or in rare cases. Other voting places have also been changed, like San Francisco Gotera, which was moved to Cara Sucia, and Colon, which will be moved to Lourdes. "In these cases, nothing was said because there is simply no political interest," Zaldivar said.

## Officials Comment on Upcoming Elections

### Vice President Merino

*PA2003214294 San Salvador Radio Cadena YSKL in Spanish 2038 GMT 20 Mar 94*

[Report by Wilmer Lizama; from the "YSKL 94 Electoral News Coverage" program]

[Excerpt] The elections have been held under good conditions here in San Miguel. We visited the towns of Chinameca, Moncagua, and Quelepa and talked with residents who said at least 1,600 people are registered to vote in the town of Chinameca.

There are approximately 11,000 registered voters in Moncagua Municipality. In Moncagua, Jose Felicito Rivas Gomez, mayoral candidate for the Nationalist Republican Alliance, ARENA, said the residents of this area have turned out to vote in large numbers. These are the areas in which during the wartime residents did not come out to vote.

Meanwhile, Vice President Francisco Merino Lopez is here in San Miguel. He gave statements to YSKL listeners on the elections, which have been called the elections of the century.

[Begin Merino recording] Thank you, YSKL friends. We are really surprised at this civic festivity Salvadorans and San Miguel residents are witnessing. We believe, from our comparative analyses, there are many more voters in these elections than in previous ones, a reflection of the people's expectations there would be more freedom of expression with peace.

We believe the elections are being held orderly and normally. A great deal of political definition is perceived in the atmosphere, in terms of which parties are more organized and have more supporters. The way people are dressed helps one understand for whom they would vote. I think we are taking a very important step in the country's political history. We will gain a privileged position on the continental level with these elections.

In addition to general currents, all currents of political thinking are participating in the elections, and the people will decide with their votes, freely, who will be elected. [end recording] [passage omitted]

### More on Merino Comments

*PA2103042494 San Salvador Radio Cadena YSKL in Spanish 0252 GMT 21 Mar 94*

[News conference by Vice President Jose Francisco Merino with unidentified reporters on 20 March; place not given—recorded]

[Text] [Merino] We have really had a demonstration of great civic spirit. I think today could serve to prove Salvadorans want to live in peace and democracy. We have surpassed our expectations. Voter turnout was high. Although the Supreme Electoral Tribunal [TSE] will give the figures, the turnout was high, with a few exceptions.

The people's participation was truly unexpected, and the results have been categorical. Without daring to give figures, I would like to say the people voted intelligently. They know and see the link that existed between the situation and violence we had before and how peace was achieved and how we are gradually achieving social and economic recovery.

There has to be justice for all, because we undoubtedly have to realize our priority is to work for the neediest. With their vote, they are now saying this is the right course. They have entrusted the majority of the municipalities and the assembly seats, the Presidency and the vice presidency to an administration such as the one we have had during these five years. There are no loses here; that is very important for you to note. The only winner is the Salvadoran people. Just as we gained with peace, we are gaining with democracy.

[Reporter] [Words indistinct]

[Merino] ARENA [Nationalist Republican Alliance] is receiving a mandate from the people, freely expressed at the polls. The people who will enforce it have great talent and experience. Their honesty has already been proved, meaning that vote was not wasted but will serve to improve our country.

[Reporter] Can you affirm you have won?

[Merino] (?I know), but the TSE will give the figures. It is now clear the people voted for ARENA, for El Salvador. Let me say [words indistinct] from the east, I was in the east, San Miguel in particular. I visited several centers there. The behavior is the same. The proportions are holding up. For their own interest, there are some who would like to wait until the decimal figures are out. The signals are clear, however, [words indistinct] The TSE has to announce the figures. The interest of many people who were kind to visit us.... [pauses] And it is good foreign observers came, because that also helps the country's economy. ARENA got twice the votes the FMLN [Farabundo Marti National Liberation Front] did. These things are important.

[Reporter] [Words indistinct] the complaints have not been long in coming. The FMLN has already complained regarding certain irregularities that prevented a large turnout.

[Merino] I just told some reporters from another news medium the FMLN leadership must review or rethink its remarks. If there was one thing we had too much of today in all polls, it was FMLN people with their vests and pins. They were there watching at the voting tables. A Democratic Convergence member belongs to the TSE. To say there was fraud amounts to not trusting their own people who worked the whole day and their voters who spent the whole day at the voting places.

### Onusal Chief, Cristiani

*PA200320494 San Salvador Radio Cadena YSKL in Spanish 2056 GMT 20 Mar 94*

[From the "YSKL 94 Electoral News Coverage" program]

[Text] Augusto Ramirez Ocampo, chief of the UN Observers for El Salvador [Onusal], has affirmed Sunday's general elections are being held normally. He only noted some minor logistics problems. What I have said confirms these elections have been rightfully termed the elections of the century and will play a key role in consolidating peace, Ramirez Ocampo has said during an interview.

Upon noting the civility and democratic culture the Salvadoran people have demonstrated in these general elections, Ramirez Ocampo has said the peace agreements are yielding their fruits, adding the elections are being held with a large voter turnout and amid peace.

In addition, President Alfredo Cristiani has said everything is reported normal in several schools where polling sites are located in the capital, while international observers are confirming the Salvadoran people's demonstration of patriotism.

President Alfredo Cristiani has said the elections, the first elections held after the signing of peace with guerrillas in 1992, have become a true civic party.

The left has reported the presence of soldiers in polling stations in the interior and problems regarding the opening of electoral sites, but, as the right has done, it has highlighted the positive balance of the elections.

### Minister Santamaria

*PA2003225394 San Salvador Radio Cadena YSKL in Spanish 2034 GMT 20 Mar 94*

[Interview with Presidency Minister Oscar Santamaria by Angel Iraheta in San Salvador on 20 March; from the "YSKL 94 Electoral News Coverage" program—live or recorded]

[Text] [Iraheta] YSKL listeners, Presidency Minister Dr. Oscar Santamaria has appeared at the installations of the [one-second break in reception] Francisco Menendez to vote. [One-second break in reception] for YSKL listeners, what is your opinion on the elections?

[Santamaria] For me, this is a real demonstration of civility of a people who would like to demonstrate this is their opportunity to have an election in peace. We must take advantage of this situation to define the country's future and choose the person to whom we will entrust that responsibility. We view this as a demonstration of civility but also of a great democratic conviction of the Salvadoran people [three-second break in reception] results be given in a normal manner, so this process concludes satisfactorily; this will allow the Salvadoran people to accept the results and support whomever wins this election.

[Iraheta] How have you seen the development of the process today?

[Santamaria] We have witnessed the elections in the polling stations we have visited. We perceive everything is normal, as the very Supreme Electoral Tribunal has confirmed. It was expected, however, some irregularities could occur; these have been at a minimum, mainly administrative irregularities, but they have not [two-second break in reception] the process.

### Interior Minister Martinez

*PA2103045994 San Salvador Radio Cadena YSKL in Spanish 0412 GMT 21 Mar 94*

[Interview with Interior Minister Colonel Juan Antonio Martinez by an unidentified reporter from the Presidente Hotel in San Salvador—live]

[Text] [Reporter] We want to hear Interior Minister Colonel Juan Antonio Martinez Varela's opinion on the

elections, because he was a member of the commission that reached the peace agreement in Chapultepec. Colonel, pleased to have you with us.

[Martinez] Thank you very much. I am pleased to have the opportunity to salute the Salvadoran people on such an important occasion. This was a historic day when the ideas, concerns, values, and all things that interest the Salvadoran people were at stake.

I think this enormous number of observers who came here will attest to what happened here, that this was for real. The results will reflect much of the Salvadoran people's political and mental development. We hope the people will grow fully aware that what transpired here represents a great step forward for the Salvadoran people.

[Reporter] Is this electoral process, which concluded on 21 March with nationwide general elections, a way to consolidate the effort you, as a negotiating commissioner, as a commissioner for dialogue, made to reach the agreements in Chapultepec two years ago?

[Martinez] Undoubtedly, I think so. A phase was virtually closed, and, I think, another phase has begun. The elections reflect the preferences of the Salvadoran people, and this is why we are anxious to learn about the official results. Various quarters have reported the initial unofficial results. We reached this phase and another phase, which will strengthen the country's democratic development, has started. [sentence as heard]

### TSE Underscores Compliance With Electoral Code

*PA2003235094 San Salvador Radio and Television Networks in Spanish 2202 GMT 20 Mar 94*

["Initial Report" by Supreme Electoral Tribunal, TSE, read by unidentified TSE official—broadcast in progress]

[Text] ...participating in the elections we have witnessed. No one can deny the atmosphere of calm surrounding the elections. We must cite the absolute freedom, without coercion or pressure of any sort, the voters enjoyed as they exercised their sacred right and duty of voting.

We must also admit there are certain aspects that are outside human control; in this regard, we must admit at certain polling stations the opening of the elections was delayed for a few minutes due to difficulties stemming from the election of station presidents and secretaries at 0600, as required by law. Such stations are comprised of representatives of all political parties participating in the elections.

Moreover, we must admit some citizens who had voter registration cards did not appear on the voter registration list. This will be noted, and, as the TSE, we will adopt corrective measures.

After the last municipal council election in [word indistinct] in 1991 a company specializing in polls conducted one indicating 10 percent of 1 percent—that is, a tenth of 1 percent—of the voters claimed to have been left off the voter registration list; thus, we will be able to determine this figure after the elections. We will be able to quantify this.

We want to underscore a very important aspect regarding compliance with Electoral Code provisions. I will read Article 230, Paragraph Two. It reads: Fifteen days prior to the elections and until the results of it are definitely declared, no political parties or coalitions, individuals or corporations, associations or organizations of any nature may publish or disseminate, via any medium, results of polls or projections on candidates, political parties, or contending coalitions that might indicate the trend of possible electoral results. Failure to abide by this will be punished in keeping with Article 290 of the Electoral Code, which states: Violation of the provisions of Article 230 of this code will result in the levying of fines between 10,000 and 50,000 colones on the violators.

This is the legal situation. The TSE will enforce these provisions, and thus, we warn all media to abstain from making these kinds of publications banned by the code; in fact, this is not only banned by the code. The candidates and political party representatives have signed a document before the president of the Republic, UN Observers for El Salvador, and the TSE. Part of it states the following: We will abstain from reporting on the results of the elections until the TSE issues the corresponding reports.

Now that this has been clarified, we warn the media may not report anything banned by law; thus, the Salvadoran people are duly informed of the aspects we have cited. We also want to note that, according to the same pact the political parties have signed, the closing of the elections will occur after every voter waiting to cast his vote has done so. This is of what this tribunal wished to inform you to avoid regrettable incidents later.

## Parties Present Platform Before Election

### PDC Presents Platform

*PA1803155494 San Salvador LA PRENSA GRAFICA in Spanish 16 Mar 94 p 7-A*

[Text] The government platform of the PDC [Christian Democratic Party] calls for the creation of an equitable, binding, and modern economy by broadening the business base, a frontal attack on extreme poverty, and the creation of new economic and social agents. PDC priorities are to invest in people and focus national efforts on the universalization of services, like education, health, nutrition, environmental protection, and potable water. It will seek to increase fiscal reform to ensure that the state has the necessary resources to invest in these areas.

Secondly, the PDC will broaden and strengthen the business base. It offers the facilities to any Salvadoran who wants to establish his own business. It will

strengthen those who already own businesses and will promote mini-, small-, and medium-scale businessmen as well as farmers and professionals. The third axis of the PDC strategy is to promote productive investments.

The party offers to generate new and better jobs; build a healthy, strong, and productive economy through the creation of a stable macroeconomic framework; promote an honest system of economic incentives; and increase public and private savings nationwide. It also proposes programs to promote the productive use of remittances and the participation of the private sector in areas like energy and communications.

The policies proposed to promote productive investment include a broadening of financial reform, including the creation of a special financial system to meet the needs of farmers and small-, and medium-scale businesses. The following existing organizations, Agricultural Development Bank, FIGAPE [expansion unknown], Credit Federation, and all nongovernmental organizations that grant credit to the sector, would comprise this system. It proposes defining and implementing a comprehensive industrialization and productive reorganization policy and special programs to promote foreign investment.

**Points by Sector**

The PDC platform emphasizes the importance of modernizing and diversifying agriculture by creating the National Agricultural Council, which would represent the sector tasked with defining national agricultural policy.

The PDC offers to reform state-owned institutions related to the agricultural sector. This reform would seek to decentralize agricultural support services and modernize its institutions. It seeks to find realistic and viable solutions to banking and agricultural problems and farmers who suffered the effects of the armed conflict. This policy seeks to comply with the "Rehabilitation of Production Sectors Affected By the Armed Conflict Law."

The PDC offers to implement a comprehensive policy to promote agricultural exports, privatize state-owned assets related to the agricultural sector by granting privileges to small- and medium- scale farmers and cooperative member associations, and promote a comprehensive policy of technical and technological assistance in this sector.

The government strategy proposes strengthening a special financial system for the business sector through modern methods that are in keeping with characteristics and the beginning of production reorganization to increase competitiveness in the face of foreign competition, including measures like:

—Short-term financing for working capital and medium- and long- term financing for the acquisition of machinery and equipment in favorable conditions.

—the development of business training programs.

—the application of a human resources program in this sector.

The plan includes establishing a professional training program with post-graduate scholarships and financing for companies that offer professional and consultation services. It suggests implementing scientific-technological strategies focused on the private sector, government, and academic institutions to promote the creation and strengthening of professional associations.

**External Sector**

The PDC proposes to promote exports by creating a joint organization between GOES [expansion unknown] and the private sector which would be tasked with coordinating and implementing the export policy. It calls for the establishment of adequate macroeconomic incentives (stable and realistic exchange rates as well as timely financial resources). Also, the creation of an international network to promote the country's export offers and the establishment of a productive reorganization program to support the sectors that were and will be affected by the commercial liberalization process.

## ARENA Presents Platform

*PA1803191694 San Salvador LA PRENSA GRAFICA in Spanish 16 Mar 94 p 5A*

[Text] ARENA's [Nationalist Republican Alliance] government program for the 20 March elections offers to create appropriate conditions for transforming El Salvador into a country of opportunities and fairness; to consolidate democracy by making individual rights the foundation; and to uphold the principles of a free, just, and united society. The action plan is presented in four functional areas:

**Political Area**

Within the framework of a new culture of peace and democracy, ARENA proposes to coordinate legislative actions, strengthen the judiciary, modernize the public sector, and ensure municipal development. The party proposes to coordinate education programs for peace and democracy through the Ministry of Education in coordination with the judicial branch, the Office of the Human Rights Ombudsman, and other offices, as well as guaranteeing the development of freedom in all its manifestations.

ARENA offers to promote the independence of municipal governments so they can participate in the development of their communities. It proposes to support the advancement of the Legislative Assembly's technical and administrative capabilities so it can respond to a free society.

ARENA suggests a foreign policy that will protect the country's interests and the welfare of all Salvadorans living abroad; a foreign policy that will be analogous to Central American integration.

The public official morality bill would be modified and the state administrative financial systems would be modernized to prevent illegal enrichment and the abuse of power at all levels and all institutions of the public sector.

**State of Law and Public Safety**

ARENA offers to continue improving the entire legal system, especially by reviewing the entire legal process and modernizing the judicial branch, the justice ministry, and other agencies involved. It would create effective instruments to prevent and fight crime and upgrade scientific investigation systems in connection with respecting human dignity as consecrated in the Constitution of the Republic.

It offers to consolidate the police modernization process to guarantee citizen security; proclaim citizen rights and duties, including applicable laws; and guarantee the right to property, administration of justice, and citizen security.

**Economic Development**

ARENA intends to modernize government institutions to guarantee greater efficiency and responsibility; centralize public administration to do away with bureaucracy; privatize government organizations that should not be managed by government; and maintain a monetary and fiscal discipline to ensure proper public spending.

It offers to strengthen the financial system to protect the people's savings and guarantee the system's efficient operations; to increase public investments with an emphasis on personnel training; and to protect consumers by guaranteeing the quality, weight, and measure of products and by implementing supervision mechanisms.

The party proposes to gradually reduce tariff and nontariff barriers and promote agricultural and industrial conversions to increase competitiveness and exports.

**Social Development**

ARENA intends to modernize social programs in the health, education, and housing sectors by decentralizing them and training communities and beneficiaries to participate in their implementation. It will reinforce programs that promote equal opportunities by training personnel in the informal sector, the micro and small business sectors, and the peasant sector.

The party will suggest social programs to attack the causes of poverty at its roots and increase workers productivity with new technology and opportunities. It plans to change municipal governments so they can identify problems, implement solutions, and assign resources. It also suggests that nongovernmental organizations and the private sector carry out development programs in the communities.

The health and education budgets will be strengthened. Income will be redistributed to focus on those sectors and direct subsidies will be assigned. Property ownership will be facilitated by simplifying procedures and giving credit in a timely manner.

ARENA offers to modernize the social security system by improving its quality and coverage. It proposes an environmental strategy and policies to ensure that land be used properly and according to its properties. It offers to strengthen the micro and small business sectors so they increase in number, improve in competitiveness, and boost participation in the market. Youth programs will be created to combat drug addiction and crime.

ARENA offers to implement this government program based on the following actions: subsidies, decentralization, participation, solidarity, progress, and specific actions.

## Guatemala

### Morales Reiterates Opposition to Truth Commission

*PA1903022994 Guatemala City PRENSA LIBRE in Spanish 16 Mar 94 p 4*

[Text] The Army has reiterated it opposes the creation of a truth commission, Defense Minister Mario Rene Enriquez Morales has stated. The ranking officer said, "I would like to banish the topic altogether, although it may be debated in the future."

Enriquez Morales, who is accompanying the president on a visit to Mexico, said that, despite the imminent signing of an overall agreement on human rights, the question of creating a truth commission is dubious because it would depend on what is to be decided in the next round of negotiations.

The Army's position remains unchanged; it cannot accept the creation of the truth commission for reasons already explained. According to the defense minister, the accord on human rights is wide-ranging and is not limited to this issue. In addition, General Enriquez Morales announced Guatemalan troops were deployed along the border with Belize to protect 20 families that are reportedly being harassed by Belizean soldiers trying to expel them from the area.

The 20 families live in an area known as "Rio Blanco," and they claim they are under pressure to evacuate the area. He added that in addition to protecting them, the Army's mission also seeks to determine whether the area they occupy is considered a nature preserve.

He concluded his remarks by noting that during his stay in Mexico he will be meeting with his Mexican counterpart, and he ruled out he will offer support in combating the Zapatist guerrillas.

### Official Meets UK Deputy Secretary of State

*PA1903192194 Guatemala City SIGLO VEINTIUNO in Spanish 18 Mar 94 p 4*

[Text] David Heathcoat-Amory, UK deputy secretary of state for foreign and commonwealth affairs, met with Bernardo Arevalo, then-acting deputy foreign minister, on 15 March. Heathcoat-Amory asked the Guatemalan official about the recent letter of reservation sent to the UN secretary general, within the framework of national reclamations over Belize.

Arevalo said the nonspecific portion of the letter was addressed, adding the UK official requested an expansion of the existing information on the official reservation the country has made before the important organization.

"The requested information was explained to them, and the issue was not further elaborated," the official explained. Arevalo also reported the points of the bilateral agenda discussed with Heathcoat-Amory during the meeting.

He said among the topics of discussion was the so-called San Jose X Meeting between Central America and the European Union, which will be held in Athens. Arevalo remarked Foreign Minister Marithza Ruiz de Vielman will participate in the meeting, because it will take place within the framework of the foreign ministers meeting of both blocs to discuss economic and cooperation matters.

In addition, during the meeting Heathcoat-Amory and Arevalo exchanged letters establishing the elimination of visa requirements for tourists traveling to and from the United Kingdom to Guatemala.

The UK official's activities also included the inauguration of the Anglo-Guatemalan Institute, as well as visits to the Defense Ministry chief of staff, the human rights ombudsman, and the head of the Government Peace Commission.

### De Leon Denies Request for Security Force Withdrawal

*PA2003040594 Guatemala City PRENSA LIBRE in Spanish 18 Mar 94 p 2*

[Excerpt] President Ramiro De Leon Carpio warned that "towns will not be allowed to go without civilian or military authorities." He was referring to Santa Lucia Cotzumalguapa, Escuintla, and San Lucas Toliman municipalities, Sololá Department, whose residents seek the withdrawal of security forces.

Upon returning from a three-day trip to Mexico, De Leon Carpio attributed the residents' dissatisfaction with the authorities to several causes, including social corruption, and the fact that justice is not properly managed. The president explained that many of the irregularities that delay law enforcement will be corrected when the new Penal Code goes into effect, but he emphasized that the problem lies not only in the laws but in the human element as well.

We have training programs for law enforcement personnel which will guarantee a change in the current situation, but there are other elements outside justice management that prevent the normal governing of the country.

The people's discontent in those areas where the security forces have been asked to withdraw is understandable if we consider that the citizens' attitudes are affected by other factors such as poverty, injustice, and social disorder.

The president described his trip to Mexico as positive in every respect and said he worked with a full agenda for several exhausting but satisfying days to achieve the benefits obtained for our country. [passage omitted]

## Honduras

### Armed Forces Accept Budget Cut, Not Volunteer Force

*PA1903030394 Tegucigalpa EL PERIODICO DE HONDURAS in Spanish 16 Mar 94 p 5*

[Text] The Honduran Armed Forces said they would accept a budget reduction, an eventual privatization of Hondutel [Honduran Telecommunications Enterprise], and any other presidential initiative, but they also clearly established their opposition to an all-voluntary military service.

General Luis Alonso Discua Elvir acknowledged that health and education are priorities and expressed the Armed Forces' willingness to support President Reina's decision to implement the social assistance program he promised the Honduran people.

The planned 10-percent reduction of the Armed Forces' 270 million lempira budget represents a 27 million-lempira cut which, according to Discua Elvir, will negatively affect the military's community programs.

Right now the military is engaged in assistance programs to improve education, environmental protection, and health, which includes the vaccination of the canine population.

Regarding an eventual privatization of Hondutel, the military chief said: "This is a profitable enterprise that has been very good for the government. Any eventual privatization should be carefully analyzed." The Armed Forces, however, acknowledge that "the final decision rests with the executive branch."

Discua Elvir announced that he will ask the Comptroller General's Office to audit the offices managed by the Armed Forces, something that has been done since 1990.

The military commander reiterated his opposition to military service becoming an all-volunteer institution because he believes it would be the end of the Armed Forces.

Gen. Discua is of the opinion that military service must be "constitutional and educational" (obligatory), but a presidential promise describes it as "voluntary and educational."

On this point, as on others, the military chief concedes that the final decision is in the hands of the president of Honduras.

### More Discua Comments

*PA1903034294 Tegucigalpa LA TRIBUNA in Spanish 17 Mar 94 p 2*

[Text] General Luis Alonso Discua Elvir has described the possible approval of voluntary military service proposed by President Carlos Roberto Reina as "total destruction" of the Armed Forces. The military chief explained that Hondurans are not ready for such a step because they do not have enough education and culture, aside from the fact that it would weaken the Armed Forces.

When asked if that meant he opposed the approval of the new recruiting system, he reiterated that "it is the institution's destruction," adding that not only the military but all Hondurans are against it. He said it is necessary to change recruitment practices and suggested that the Civil Registry provide a list of citizens who are over 18 years of age. "There are so many young people in the appropriate age bracket that we would only need 3 to 4 percent of them," he said.

Concerning the privatization of the Honduran Telecommunications Enterprise (Hondutel)—which is of great interest to President Reina—Gen. Discua said that "as general commander of the Armed Forces, we must support him; otherwise, we would be disloyal." This answer by the military chief is contradictory inasmuch as he has voiced opposition to the new recruitment system proposed by President Reina.

He explained that the Armed Forces do not have any direct involvement in the administration of Hondutel with the exception of the fact that it is managed by a military officer. Actually, the company is governed by a board of directors chaired by the communications, public works, and transportation minister, Discua noted.

The military chief said that the money circulating in the nation's drug market is far exceeds the national budget of a country such as Honduras. He reported that the Police, Army, Air Force, and Navy are conducting joint operations that have led to the arrest of drug traffickers and the seizure of large amounts of drugs. He added that efforts have been intensified, particularly in Islas de la Bahia, which has become a key point for drug contraband.

Discua said he could neither confirm nor deny charges by a former judge that the traditional political parties paid for their campaigns with drug money because he does not have any information to that effect.

According to the high-ranking officer, Health Minister Enrique Samayoa is very poorly informed when he says that the Armed Forces' budget has been increased. "I think he has been confused by a UN report that dates back to 1993 and which talks about nonexistent amounts of money," Discua stated. "I do not understand why the figures were handled in that way. Perhaps they sought to confuse the public," he added.

The general, who arrived yesterday morning at the 105th Military Brigade in San Pedro Sula to attend the seminar of the Permanent Committee for Emergencies (Copeco), also referred to the complicated issue of the whereabouts of the 7 million lempiras received following Hurricane Gert. He said a government-appointed commission is investigating the case.

### Friction Between Reina, Legislature, PLH

*PA2003044394 Panama City ACAN in Spanish 0052 GMT 19 Mar 94*

[Text] Tegucigalpa, 18 Mar (ACAN-EFE)—Honduran President Carlos Roberto Reina is facing the second altercation of his administration with the 71-deputy majority of the Liberal Party of Honduras [PLH] over the lack of public administration jobs for thousands of political activists.

Several deputies are disturbed by the lack of communication with Reina, as they explained in a letter sent to his brother, Mario Reina, who works next to the president's office.

Shortly after Reina was elected president on 28 November 1993, the deputies challenged him in a struggle for the presidency of the legislative branch, a position won by Carlos Flores, a politician who leads the most conservative faction within the PLH.

Reina wanted to place his brother, Jorge Arturo Reina, at the head of the legislative body, but most deputies supported Carlos Flores, presidential hopeful for the 1997 presidential elections. In the end, Jorge Reina was elected Congress vice president. The loss of leadership in Congress weakened President Reina's administration.

Santiago David Amador, chief of the PLH legislative wing, sent a letter to Mario Reina stating the "need to immediately establish the communication and dialogue agreed upon by the president of the Republic and the president of Congress."

"I must say that the apprehension of my fellow deputies is increasing to the point that if no immediate decision is made, it would be very difficult for us to harmonize relations between our party's legislative wing and the executive branch," the letter adds.

Reina is having difficulties in obtaining approximately $1.5 million to pay the employees who will be dismissed, which keeps PLH supporters from occupying those public posts.

A few days ago the president was confronted with a demonstration in front of his house, where some PLH supporters threatened to withdraw from the party's future campaigns.

Deputy Roberto Micheletti of the pro-Flores faction on Thursday accused Reina's private secretary Luicio Izaguirre of being "a clown who only cheered like a cheerleader" in the political campaign rallies.

PLH Deputy Victoria Contreras, also a pro-Flores deputy, accused Mario Reina of not honoring a pact "to place" her supporters "in public posts."

Deputy Santiago Amador said this is not a confrontation between Congress and the executive but that "blanks are being fired to convey a message." In practice, however, it has created a new dispute between the two state branches.

Every four years in Honduras, the party that wins the elections usually fires the employees of the losing party to give jobs to its supporters.

The government is the largest employer in the country, with a payroll of some 40,000 public servants.

## Nicaragua

### Border Dispute With Costa Rica 'Very Serious'

*PA1803134094 Managua Radio Corporacion in Spanish 1200 GMT 18 Mar 94*

[From the "Six o'Clock Sharp" newscast]

[Text] Nicaraguan international law specialists believe the current border situation with Costa Rica, where local landholders are invading part of Nicaragua, is extremely serious, and that the government must immediately and thoroughly act to clarify once and for all the sovereignty of their homeland along the border, including the San Juan River.

The Foreign Ministry pointed out that the Sandinist National Liberation Front is directly responsible for the current border situation because during the war it displaced the peasants and shopkeepers from the area and even mined part of it. Therefore, Nicaraguans moved to the other side of the border, to Costa Rica, where they helped to develop Costa Rica. After that, the Sandinists completely ignored the strip between boundary posts 13 and 14, almost 30 km, which was abandoned. Nicaragua has warned Costa Rica that if it does not pay attention to marking out the area, it would unilaterally do so next April.

### 3-80 Northern Front, Government Reach Compromise

*PA1803170094 Managua Radio Corporacion in Spanish 2300 GMT 17 Mar 94*

[From the "Five O'Clock Sharp" newscast]

[Text] A serious impasse between the government and the rearmed groups of the 3-80 Northern Front was overcome yesterday.

The demobilized members of the 3-80 Northern Front, following orders from its Council of Commanders headed by Jose Angel Talavera Alaniz, alias El Chacal, had decided to suspend their disarmament because the government was unable to fulfill its promises made during the disarmament negotiations. It definitely created a serious concern among the political, economic, and social circles that see in the 3-80 Northern Front the most serious threat to the Nicaraguan peace process.

Salvador Talavera Alaniz, alias Esteban, brother of Jose Angel Talavera, El Chacal, who was the political leader of the armed group for a long time, said they were able to reach a compromise with the Government Ministry to fulfill the agreements reached in Quilali last week when the first meetings between the 3-80 Northern Front Council of Commanders and the Government Ministry began.

Now that the impasse has been overcome, the former armed groups will be able to purchase the lands they need. The former armed groups need more than 1,300 manzanas of lands to return to civilian life.

### Disarmament Process To Continue

*PA1903151294 Hamburg DPA in Spanish 1217 GMT 19 Mar 94*

[Text] Managua, 19 Mar (DPA)—The 3-80 Northern Front, the largest group of armed rebels in Nicaragua since the disarmament of the Nicaraguan Resistance (contras), announced today after a series of agreements were reached with President Violeta Chamorro's government it will continue the disarmament process.

Jose Angel Talavera (El Chacal), the rebels' leader, said in Managua next week his men, estimated at more than 200, will continue to turn in their weapons in the Quilali region, approximately 320 km north of Managua.

The armed group suspended the disarmament process last week, fearing the government would not meet its commitments. Talavera said he hopes this time the government will meet its commitment with the demobilized, adding on previous occasions it had not.

The government offered a series of social benefits for the contras' disarmament; nevertheless, there are constant protests against the government's lack of fulfillment.

## Panama

### Talks on GATT Entry Delayed; EU Position Queried

*PA1803044194 Panama City EL PANAMA AMERICA in Spanish 15 Mar 94 p 1A*

[Report by Arnulfo Barroso Watson]

[Text] Panama hopes the European Union's [EU] refusal to accept the dates proposed to begin its compliance with GATT is a result of technical problems rather than political problems linked to Panama's position in the international banana dispute.

Yesterday, Carlos Gonzalez Ramirez, Panamanian ambassador to the GATT Secretariat said Panama has proposed two dates in March to begin meetings that will open the way for the nation's entry into GATT. The dates were accepted by all member-nations except the EU.

Gonzalez Ramirez said the EU's decision has delayed Panama's admittance into GATT, adding that the EU position is "greatly" coincidential, considering Panama maintains a decisive position in Latin American's struggle against some European countries' decision to establish controls on banana imports from the region.

He said: "This may or may not be the case. We will have to wait a few days and see what this is all about."

EU members say they thought Panama wanted to begin the GATT meetings in May, adding that it would be difficult to hold the meetings before that time because the Europeans will be very busy finalizing the Uruguay Round agreements.

Panama is expected to negotiate standards issues with all member- nations at the first meeting, and it will discuss bilateral tariff agreements at the second meeting.

Gonzalez Ranirez said the EU's decision represents a one and one- half month delay in Panama's plans for admittance into GATT. He added that the nation's entry into GATT could be further aggravated by the need to present a repot on the results of its GATT negotiations to the National Assembly before 15 April 1995. He also said the GATT Secretariat headquartered in Geneva, Switzerland, believes the meeting could be held on 19 or 20 March, although Panama would prefer to meet before that date.

## PRD Candidates Interviewed on 'Challenge 94'

*PA1803171694 Panama City Telemetro Television Network in Spanish 0200 GMT 17 Mar 94*

["Challenge 94" election interview program with guests Ernesto Perez Balladares, PRD presidential candidate; Tomas Altamirano Duque, PRD candidate for first vice president; Felipe Virzi, PRD candidate for second vice president; and "Challenge 94" program host Dorita de Reyna]

[Excerpts] [De Reyna] As promised, our guests today are the members of the United People presidential slate, grouping the Democratic Revolutionary Party [PRD], Pala [Labor Party], and the Liberal Republican Party. These three parties have nominated Dr. Ernesto Perez Balladares for president, Tomas Altamirano Duque for first vice president, and Felipe Virzi for second vice president. Welcome to "Challenge 94"

[Perez Balladares] Thank you. [Passage omitted]

[De Reyna] You have recognized that although in 21 years [of military regime] there were many achievements, 21 years is a long time. Besides, governing with absolute power and heavy financing makes it possible to achieve many things.

[Perez Balladares] I don't think it was during those 21 years that many things were achieved. When I speak this way, I am referring to the time I participated, basically from 1976 to 1982. At that time, we indeed had good conditions to obtain financing. With a little imagination, new alternatives, it is also possible to provide solutions without necessarily having the financial flows we had at that time.

[De Reyna] Let us talk of the 1976-1982 period. Errors were made at that time. Do you admit this?

[Perez Balladares] Of course.

[De Reyna] Which one?

[Perez Balladares] We must admit many errors from that period, as well as from other periods, the current period. Only a person who does nothing makes no mistakes.

[De Reyna] There are errors that are committed so often....

[Perez Balladares, interrupting] Name one.

[De Reyna] Squandering of money, corruption....

[Perez Balladares, interrupting] Those are objective errors, I mean subjective. You are giving a subjective opinion. Name one specific objective error.

[De Reyna] Human rights violations.

[Perez Balladares] Which ones?

[De Reyna] There are lists, even murders.

[Perez Balladares] Again, this is subjective. If you say, such and such person was killed, and it has been proven that that person was killed, I can answer.

[De Reyna] It just so happens that whatever happened during that period cannot be properly investigated. Do you agree or not?

[Perez Balladares] Well, I think these things have not been properly investigated in these past four or five years. There has been so much talk of all the monstrosity and things that happened, and why is it that nobody has been convicted, or why is it that nobody is guilty? Of course, I am excluding those cases that have gone to trial, and that we also reject.

[De Reyna] You have touched on a point that brings to mind the topic of the problem of justice. We have a serious problem with justice, and it is not a recent development. This has been happening for many years. How do you plan to resolve it?

[Perez Balladares] That is true, the problem is very serious and goes back many years. I believe the problem has its origin.... [pauses] pardon my ignorance, I am simply an economist and not a lawyer. I believe the problem originates within the Attorney General's Office, which to my way of thinking is where investigations could be handled with greater justice and honesty. Thus one of the things I propose is that we have a totally independent attorney general, someone whose credibility and respect is acceptable by all citizens in order for his investigations and positions to be perfectly honorable and acceptable. [passage omitted]

[De Reyna] Let us talk a little more about the people who surround you.

[Perez Balladares] You have my two vice presidents here with you.

[De Reyna] Yes of course, but I am referring to the other people around you. It is being said that you are hiding some people who are very close to you, who are your advisers. Is that true?

[Perez Balladares] [laughs] Look, Dorita, I have heard that story so much that it really makes me laugh. Let me tell you something. There are 154,000 members in my party. Those people—to whom you are referring—are names that unfortunately were demonized because they did dishonest things at certain times, because they were quoted out of context many times, because they were demonized by the media, or because they did dishonest things. That group is less than 20 people. If you make a list and you get more than 20 people, believe me, I will give you a prize. There are 154,000 persons in my party. That is not the problem as they are not my advisers. Evidently, when one engages in a political campaign, when one belongs to a party that tries to be democratic, I cannot become judge and jury and tell these people: You can be next to me or you may not. The internal democracy must be...

[De Reyna, interrupting] Yes, Dr. Perez Balladares, but you accept that you have 20 people...

[Perez Balladares, interrupting] I am not accepting that. I told you they are names of people who have been demonized. Nonetheless, there are candidates...

[De Reyna, interrupting] You said they did dishonest things in the past...

[Perez Balladares, interrupting] Some of them did and others did not...

[De Reyna, interrupting] Pardon me, let me ask you a question. How can you control people like that, once you reach the presidency?

[Perez Balladares] The same way I have done it...

[De Reyna, interrupting] Then, that means you do have them...

[Perez Balladares, interrupting] Look, right now, they are not playing any special role. I cannot kick them out of the party, however, unless they have done something serious. They have every right to nominate themselves for office, to be members of the party. In the long run, the party's internal democracy will decide if they can or cannot be party leaders, or if the party can nominated them. [passage omitted]

[De Reyna] Now, we would like to talk with the vice presidential candidates. Even though the Constitution does not assign specific functions to the vice presidents, the country has a certain degree of expectations regarding the vice presidential candidates accompanying the presidential candidates. Mr. Altamirano, you have held public offices in the past. You were the director of the National Sports Institute [Inde], is that right?

[Altamirano] That is correct. I was also housing minister.

[De Reyna] You were housing minister as well as public works minister. There are many claims you squandered money, were corrupt, stole, can you say something about that?

[Altamirano] About claims of squandering money and thefts?

[Reyna] That is correct.

[Altamirano] Look, I donated my Inde salary for 4 years. That money was used to build eight electric pylons in the interior of the Republic, and now they now have electricity thanks to that donation....

[Perez Balladares, interrupting] You mean the pylons at eight stadiums, right?

[Altamirano] Yes, at eight stadiums... [pauses] six stadiums.

[Perez Balladares] You built the pylons at six stadiums with the donation of your salary, right?

[Altamirano] That is correct. Today, I am being accused of other charges. This is slander and defamation. It is said I stole $8,000 worth of PVC pipes... [pauses] $6,000 in PVC pipes. Who is going to steal $6,000 worth of PVC pipes after donating that amount of money? Of course, this is no excuse. Actually, those charges are ridiculous. The public works minister at the time, a Mr. Orillac, sent some people to my farm to investigate a bulldozer I had.

[De Reyna] You are referring to Minister Orillac of the Endara Government?

[Altamirano] I am referring to Rene Orillac who sent people to inquire about a bulldozer my grandfather purchased for $23,000 from Cardoze and Lindo. That bulldozer is over 30 years old. [passage omitted]

[De Reyna] Mr. Virzi: Since you are an expert in the agricultural sector, I would like to ask you what your

recommendation for the government program is inasmuch as the agricultural sector cannot compete in an economic opening.

[Virzi] As Dr. Perez Balladares has said, my responsibility on this ticket is the agricultural sector.

[De Reyna] What do you recommend for improving the agricultural sector in Panama, for example?

[Virzi] Highways, roads; low-cost highways because of financing. More than anything else, highways because that is what worries us. [passage omitted]

[De Reyna] Mr. Perez Balladares, what is your opinion?

[Perez Balladares] You began by talking about the economic opening. Let us focus our discussion on that. There has to be an economic opening, and he agrees with that. We cannot have an economic opening at the cost of ruining the agricultural sector however. We cannot bankrupt all farmers so they will move to the capital city. Some agricultural products—and I will mention some: rice, corn, beans, potatoes, onions, and others—must be protected, but not necessarily subsidized. They cannot compete freely. Then, there are other things that must be done, like Virzi has said. For example, there must be production highways. For example, the cost of some of these products in the national market is high because it is so difficult to transport them from the fields. The other aspect is the financial aspect Virzi mentioned. The Agricultural Development Bank no longer lends money to the farmers or it lends money to those farmers who do not need it.

[De Reyna] Have you already prepared a program for that?

[Perez Balladares] Of course. [passage omitted]

[De Reyna] Dr. Perez Balladares: People wonder where you got your fortune. Do you have a fortune and can you explain where it came from?

[Perez Balladares] [laughs] Yes, of course. I am not a poor man, but I do not think I have a fortune per se.

[De Reyna] Are you worth several million [monetary unit not specified], for example?

[Perez Balladares] Yes, several million, of course.

[De Reyna] How many?

[Perez Balladares] I will leave that to your imagination.

[De Reyna] You are going to have to make a financial statement.

[Perez Balladares] Yes of course; I will make a statement in due time. Let me tell you something. Panamanian society has a problem, and it is a good idea to bring it up. Contrary to other countries where successful men are respected, emulated, and used as examples for society to imitate, here in Panama, unfortunately, successful men are the target of envy, usually by incompetent people. Therefore, people say the money is the result of theft. I will tell you something. I have the great fortune of having a father—who is still alive—and a mother who worked very hard and made money. I have been very lucky and I have made excellent investments. Right here, in front of you, I purchased a building with a $330,000 bank loan.

[De Reyna] Is that the building where the Ibero-American Bank is located?

[Perez Balladares] Part of the offices of Telemetro Television are located there. That building, which cost me $330,000 in 1974 when I was not part of the government, is now worth over $2 million. I have received offers for that building. What do you call that?

[De Reyna] Are you going to sell it?

[Perez Balladares] I will let you know when I am going to sell it. That is foresight, good luck. [passage omitted]

[De Reyna] Many people wonder what will you do with the military? Several times you have said the military will not return to power. The people continue to be concerned about that however. Some military, who are living abroad, have recently said they are just waiting for you to reach power in order to return to power.

[Perez Balladares] Those must be some pro-Carles military who want to hurt me.

[De Reyna] Yes? I want to ask you another question. You wanted to be a presidential candidate in 1984 as well as in 1989?

[Perez Balladares] Yes, in 1984, but not in 1989. In 1984, that is what caused me to be exiled.

[De Reyna] You have repeatedly said General Noriega did not let you become a candidate?

[Perez Balladares] Noriega, among others. There were several military men who prevented me from becoming a candidate.

[De Reyna] As you evaluate the past, do you think that was beneficial to you?

[Perez Balladares] Yes, of course. Looking back and seeing what happened to the person [Nicolas Ardito Barletta] who unfortunately replaced me, I think they would have had to kill me. I am not that type of man. The Lord knows why he did it.

[De Reyna] Thank you and good night. We thank our guests. [passage omitted]

## Argentina

### Menem, Gore To Discuss Issues Outside Agenda

*PY1903023994 Buenos Aires PAGINA/12 in Spanish 18 Mar 94 p 4*

[Text] The official agenda of the meeting President Menem and U.S. Vice President Al Gore are scheduled to hold the morning of 21 March encompasses a wide range of bilateral issues, but it does not include the most controversial one: U.S. pressure for the approval of a new patents law in Argentina. Nevertheless, a high-ranking Argentine Foreign Ministry source, who is well-versed on diplomatic rules, explained: "The fact that the issue is not included on the agenda does not mean it will not be discussed."

Preparations for Gore's visit included a 30-minute meeting in Buenos Aires between Foreign Minister Guido Di Tella and U.S. Ambassador Cheek and a meeting in Washington between Argentine Ambassador Raul Granillo Ocampo with the U.S. vice president's advisory team. "Controversial issues have been exempted from the agenda (...). The patents law issue has been rejected because it is believed this is an excessively technical issue and all the points have been made."

When he presented his credentials, Ambassador Cheek took the trouble to explain that the main priority on his agenda was to pressure for the prompt approval of a new patents law that would specifically recognize the intellectual property of U.S. laboratories. Moreover, representatives from Bill Clinton's administration have threatened to include Argentina on the list of countries that deserve to have economic sanctions imposed for violating intellectual property.

The list of these countries will be disclosed on 30 April, that is, one month and 10 days after Gore's arrival in Buenos Aires. The U.S. vice president will travel to Buenos Aires to attend a UN-sponsored world telecommunications conference. He is scheduled to dine with Menem on Sunday [20 March] evening. They will see each other again on 21 March, and during this meeting the official agenda will not necessarily be respected.

### Pharmaceutical Group Addresses Letter to U.S. Envoy

*PY2003221494 Buenos Aires LA PRENSA in Spanish 20 Mar 94 p 3*

[Undated open letter signed by CILFA, Argentine Industrial Center of Pharmaceutical Laboratories, published in full-page advertisement]

[Text] Ambassador Cheek: On the occasion of the visit by His Excellency the Vice President of the United States.

"What was signed with one hand cannot be erased with the other."

In December 1993, 117 countries—including the United States and Argentina—reached an agreement for the protection of intellectual property rights within the framework of the Uruguay Round of GATT talks, which included the issue of medicine patents.

This agreement, for which both our country and your country have actively worked, sets precise international medicine patent norms.

Consequently, we do not understand the reason for the continued threat of commercial sanctions and preconditions for joining NAFTA, under the pressure some U.S. PMA [Pharmaceutical Manufacturers Association] laboratories are exerting, ignoring the agreement the two governments have signed.

The pharmaceutical laboratories with Argentine capital have repeatedly and unsuccessfully tried to meet in your country with the pharmaceutical industry (PMA) and the U.S. trade representative to help find a reasonable solution to this problem, but we never got any answer.

Despite the fact that the GATT agreement does not fully reflect our interests and position, we accept it and respect it. We ask you to request a similar attitude from your pharmaceutical industry, which is represented by the PMA, respecting the decision made by the international community.

### Bolivia's Sanchez Visits, Signs Agreements

*PY1803214094 La Paz Television Nacional Network in Spanish 0100 GMT 18 Mar 94*

[Text] Rocio Bernal, chief editor of Channel 7, has prepared an important report summarizing the main aspects of the meeting between Bolivian President Gonzalo Sanchez de Lozada and Argentine President Carlos Saul Menem in Buenos Aires:

[Begin Bernal recording] I have important news from Argentina. An important energy agreement was signed by President Sanchez de Lozada and Argentine President Carlos Menem. The main aspects of the agreement are the sale of 6.1 million cubic meters of natural gas per year at an initial price of $1.21 per cubic meters until 1996. As of 1996, the price will be increased annually based on international prices. For the first time Bolivia will sell gasoline to Argentina. This will allow Bolivia to obtain an income of $4 million a year. Regarding light crude oils, the cubic meter will be sold to Argentina at $162.50 delivered at the Palmasola plant.

The official Bolivian mission that went to Argentina headed by President Sanchez de Lozada also was able to obtain an investment of $5 million for the next two years as of the agreement's signing. An investment of $15 million for the next four years also was obtained. The contract signed with Argentine Government Oil Deposits is an important step for the country's benefit, and from the quality and quantity viewpoint it is better than the previous contract. President Sanchez de Lozada

expressed by phone his complete satisfaction with the result of his visit to Argentina because the No. 1 issue, the sale of natural gas to Argentina, was excellent for Bolivia after difficult negotiations.

Also, the presidents of Argentina and Bolivia reviewed international, regional, and bilateral issues within the framework of cordiality and friendship. They pointed out the excellent level of relations between the two governments, and verified the importance of the issues discussed during the recent visit of the Argentine foreign minister to Bolivia included in the La Paz Joint Declaration on 22 December 1993.

With the purpose of pointing out the positive results of the current visit, the presidents signed a joint declaration that says they reaffirmed their commitment to contribute to the consolidation of democracy in the continent as the essential basis for keeping peace and developing social justice to protect human rights and implement economic development.

The two presidents agreed that the invitation made by the four Mercosur [Common Market of the South] countries to Bolivia to have government representatives participate as observers in the meetings of subgroups will contribute to strengthening the mechanisms of appropriate relations for joining the Mercosur integration process.

Regarding the Bolivian maritime claim, which is one of the main components of Bolivian foreign policy, the Bolivian president expressed his satisfaction over the possibilities now existing for sincere dialogue among all the parties involved.

The two presidents also expressed their conviction that the 14th meeting of the Intergovernmental Committee of the Paraguay-Parana Waterway to be held in Formosa [Argentina] from 21 to 25 March will strengthen cooperation between the states on the waterway program and will be progress in studying the related issues that will facilitate regional integration.

Within the framework of economic cooperation between the two governments, the Argentine Government gave Bolivia the equivalent of $84 million, of which $54 million is for local projects and will be disbursed from April to December. The remaining $30 million will be used to finance Argentine and Bolivian goods, installations, and equipment for a broad health program in the border regions of Argentina and Bolivia. To this effect, the two countries' health officials will prepare the adequate projects of basic infrastructure and health. Within 60 days, a trade agreement will be signed establishing free transit, without tariffs or other types of fees, on goods between the two countries. This is for the competitive fabrication in Bolivia of products for the Argentine and Bolivian markets, for exporting to third countries, and for offering incentives for the investment of Argentine and Bolivian capital to this effect. The two presidents expressed their satisfaction with the signing of the agreement on reciprocal promotion and protection of investments.

Upon concluding his state visit, constitutional Bolivian President Gonzalo Sanchez de Lozada thanked Argentine President Carlos Saul Menem for his expressions of sympathy and friendship and for the warm hospitality of the Argentine Government and people. [end recording]

## Cuba's Robaina To Visit in April To Discuss Debt

*PY2003184794 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2144 GMT 19 Mar 94*

[Text] Buenos Aires, 19 Mar (NA)—Cuban Foreign Minister Roberto Robaina will visit Argentina in April to negotiate with the administration of President Carlos Menem a debt contracted by Cuba during the seventies, during Juan Domingo Peron's presidency.

Argentine diplomats have always believed that the debt, contracted through the export of trucks and other vehicles to Cuba during Peron's last term, was "irrecoverable."

Cuba had offered to Argentina to pay the debt through tourist leasings in the island, as it lacks the cash to pay it.

Robaina's visit would take place at the completion of the negotiations undertaken by Cuban diplomats at the Argentine Foreign Ministry to renegotiate the debt.

## Military 'Displeased' With Role at OAS Meeting

*PY1803164594 Buenos Aires CLARIN in Spanish 17 Mar 94 p 6*

[Article by Luis Garasino]

[Text] Lieutenant General Mario Candido Diaz, chief of the Joint Staff, on 15 March made known to Vice Foreign Minister Fernando Petrella the displeasure that has surfaced because no active military man is a member of the Argentine delegation to the OAS meeting that is evaluating the possibility of a new inter- American security system.

Diaz was the person charged with making known the unrest of the military leadership regarding a precept that reduces the officers to mere observers at the meeting, which is currently being held in Buenos Aires and will conclude on 18 March.

Questions of form must also be added to this unrest, as the Armed Forces Staff received a photocopied paper informing it of the opening and conclusion of the meeting, and this was considered "more of a notification than an invitation."

The military observers (or "listeners," as some sarcastically termed them) were thus in this role able to follow the discussions regarding a main point: the creation of a

new continental security system, and the distrust of those countries that fear an attempt at "verticalization" under the hegemony of the United States.

The Mexican delegation stated that progress in the implementation of measures of mutual confidence cannot be achieved until a "new security concept that responds to the threats hovering over the region" has been clearly defined.

The comments from the Argentine ambassador to the OAS, Hernan Patino, somewhat cleared the atmosphere, which to that point had been somewhat monotonous, and his specific reference to the chicken and the egg seemed to block any further delay in discussing the heart of the problem.

This problem concerns the concrete measures of a military nature that are to be taken by the armed forces of the member countries—measures that go further than the usual exchanges of officers and goodwill meetings.

For its part Brazil supports to a certain extent the Argentine position of achieving progress on this topic, although essentially on a bilateral country-to-country basis. Uruguay is concerned with the principle of nonintervention, while Peru and Venezuela give priority to the non-military problems such as underdevelopment and what they call "the crime transnationals."

In sum, OAS Secretary General Joao Baena Soares, who arrived in the country on 16 March, will not find a panorama much different from what he has observed during his entire tenure, in other words, the beginning of a long road that will have to be taken step by step.

### Di Tella Views National Exports Trend

*PY1803225694 Buenos Aires LA PRENSA in Spanish 16 Mar 94 p 6*

[Excerpt] Argentine exports amount to just 6 percent of the GDP. These figures were described as "very bad and illogical" by Foreign Minister Guido Di Tella during the first meeting of the administrative council of the Export Foundation.

For his calculations, Di Tella used a basis of $250 billion, which implies a yearly income of $7,000 per capita and exports totaling some $15 billion.

Economy Minister Domingo Cavallo also attending the meeting. He corrected Di Tella, saying that the basis should be $300 billion.

Based on these figures presented by the two ministers, Di Tella calculated that the goal for Argentine exports for the year 2000 should be 10 percent of the GDP, that is, between $25 billion and $30 billion.

Speaking in a colloquial tone, Di Tella told the 30 or so businessmen that comprise the Export Foundation that "the message being conveyed is that export figures will not be so ridiculous in the future." The meeting was held yesterday at the Foreign Ministry.

Di Tella added: "The government must create conditions for businessmen to export." He said: "The interests of businessmen are the central issue of President Menem's trips abroad."

Cavallo emphasized: "Great importance is attributed to a good exporting record in the mid- and the long-terms if a country wants to maintain high growth rates." He stated: "It is of paramount importance to export goods and services."

Cavallo said: "A great deal still has to be done" with regard to promoting exports.

During this first meeting of the administrative council, Cavallo reiterated his concern over news published abroad about an alleged unrealistic exchange rate in Argentina and a drop in the real purchasing power. Cavallo, who is the council's vice president, believes this report is the result of mistaken studies conducted by Argentine consultants.

He asked those who conduct economic studies to clarify their guidelines or, he warned: "They could create doubts in the minds of international investors." He added: "If we transmit a wrong image abroad, we will all sink together." [passage omitted]

## Bolivia

### COB, Indian Group Criticize Gore's Visit

*PY1803203494 Madrid EFE in Spanish 1834 GMT 18 Mar 94*

[Text] La Paz, 18 Mar (EFE)—Expressing their position in defense of coca, the Bolivian Labor Federation (COB) and the Tahuantinsuyo Authentic Indian Front (FIAT) today labeled the stopovers U.S. Vice President Al Gore will make in the La Paz and Santa Cruz airports as "non grata."

Gore, his wife, and official delegation are making their first trip to several South American countries. They will make a five-hour stopover in Bolivia on 20 March en route to Buenos Aires, Argentina.

Union leader Toribio Hinojosa said: "Mr. Gore's visit would be fine if he came to make a commitment to stop the forced coca eradication, but we know he comes to increase pressure for the continuation of coca destruction."

The FIAT issued a communique in which they say the U.S. Government and vice president are "enemies of the sacred coca, and he is coming to eradicate it."

The greatest advantage will be taken from Gore's five-hour stay in Bolivia on his way to Argentina. Official reports state that he will be declared guest of honor in La Paz and Santa Cruz, even though he will not visit those cities.

Local officials are preparing a folk music show of the Altiplano and the tropical regions, and will give him presents.

During the 45-minute flight from La Paz to Santa Cruz, Gore will meet with Bolivian President Gonzalo Sanchez de Lozada and his Bolivian counterpart Victor Hugo Cardenas.

Vice President Gore will also meet the Bolivian Government economic team in the Santa Cruz Viru-Viru Airport.

The Bolivian Government and the U.S. Embassy are working on the final details of Gore's arrival in the midst of strict security measures at the airports of the two cities.

The highway from La Paz to Lake Titicaca will be closed for about three hours and security will be strengthened at the two airports to guarantee Gore's security.

Gore will leave the La Paz El Alto international airport, located about 15 km from downtown La Paz, for Achica Abajo—by Lake Titicaca—which is the town where Bolivian Vice President Cardenas was born. He will return to the airport and leave for Santa Cruz.

The signing of several agreements between the two governments was also announced and, if time allows, a brief meeting with the media at the Santa Cruz airport will be held.

### Government Defends 'Traditional Use' of Coca

*PY1803233594 La Paz PRESENCIA in Spanish 2 Mar 94 p 7*

[Excerpt] On 1 March, the government made an energetic defense of the traditional use of coca leaf, and it rejected the proposal by the UN International Drug Control Board (JIFE) that Bolivia and Peru should declare illegal the cultivation and use of coca leaf in all its forms.

Through an official document, the Foreign Ministry reminded JIFE that Bolivia "acknowledges as legal the traditional use" of the coca leaf. Vice President Victor Hugo Cardenas stated that "Bolivia is a sovereign country," where there is a law that differentiates between the legal and illegal use of coca leaf.

"I believe that Bolivia demands respect for its laws and sovereignty. Coca leaf will continue to exist because a large part of the country uses it for medicinal, healing, and cultural rituals," Cardenas said.

Foreign Minister Antonio Arinibar reported that the case of excessive coca leaf production has caused a conflictive situation due to the process of the change in governments.

"The basis of the government's policy is that of voluntary eradication in coordination with a responsive and joint effort with the producers," he said.

Regarding the eradication of coca and the latest incidents in Chapare, Felix Santos, executive secretary of the General Trade Union Confederation of Peasant Workers of Bolivia, stated that this sector wants to live in peace, not under a regime of violence. "But the government causes violence by forcefully eradicating coca plantations that are the only economic support for the workers in Cochabamba's tropical region," he said. [passage omitted]

### Cardenas Opposes Forceful Eradication

*PY1803231194 La Paz PRESENCIA in Spanish 1 Mar 94 p 7*

[Text] Bolivian Vice President Victor Hugo Cardenas condemned the acts of violence in Chapare on 25 February as a result of a clash between coca growers and anti-drug forces and declared that he was against the eradication by force of surplus coca plantations.

"We all lose if the dialogue is interrupted; peaceful measures must be sought," said Cardenas in pointing out that the eradication of surplus coca plantations should be based on an agreement with the producers and their grass-roots organizations. Cardenas added: "Forceful eradication means violence and we reject it."

According to some coca growers' leaders, the clash that resulted in several injuries was prompted by a government decision to forcefully eradicate surplus coca plantations. The government has stated that the plantations eradicated during the past few months were located near drug laboratories and the eradication is being done according to the law.

Government Minister German Quiroga asserted that the clash was prompted by the peasants' decision to occupy by force the Coca Eradication Directorate (Direco), instigated by drug traffickers.

Cardenas declined commenting on what happened in Chapare. He said he did not have precise information but noted that if abuses were perpetrated, Congress will demand an explanation from the executive branch.

He said that although there are laws that provide for the eradication of surplus plantations, it should be carried out by mutual agreement.

Cardenas warned that the recent clashes will strain even more the tense relationship between coca growers organizations and the organizations in charge of controlling coca production.

Law No. 1008 on coca and controlled substances classifies Chapare as a transitional region in which the coca plantations must be eradicated by common agreement with prior payment of $2,000 per hectares to the growers. Moreover, the law requires that the government carry out programs for alternative crops to avoid any traumatic consequences.

However, during the past two years the eradication program has not developed according to schedule and the benefits of the alternative crops are not visible, which has been very frustrating for the peasants, thus causing clashes between producers and interdiction forces on several occasions.

### Calm Returns to Chapare With Release of Coca Growers

*PY1803234394 La Paz PRESENCIA in Spanish 1 Mar 94 p 1*

[Text] After the tense atmosphere that prevailed last weekend, calm returned to Chapare today after the government's decision to release 62 people arrested during the violent clash between coca leaf growers and antidrug forces on 25 February. This information was disclosed by Cochabamba Mayor German Lema Araoz.

As he announced the release of the arrested people, Minister of Government German Quiroga, who applauded the fact that "fortunately no significant casualties" were registered, warned that the peasants will not be allowed to cause new disturbances.

In addition to Quiroga's warning were those made by Social Defense Secretary Mario Soliz, who admitted shortly afterward that the peasants who were released are being investigated by the Special Antinarcotics Force (FELCN) to determine possible links to drug traffickers.

Soliz asserted that the plan to eradicate illegal coca plantations will continue as scheduled in the Chapare area.

The coca growers, in turn, accepted the government's invitation to a peaceful dialogue as of 2 March in La Paz, but warned that the eradication of coca plantations will not be discussed because, first of all, they have to discuss their proposals to fight drug trafficking and coca leaf production.

Evo Morales, executive secretary of the Special Federation of Peasant Workers of the Tropics, asserted: "We are not going to accept compulsory eradication." Morales warned that in view of the "offensive" by antidrug forces, "we have no other alternative but to strengthen our self-defense committees, the peasant defense patrols, and, in some cases, the security committees."

The General Trade Union of Bolivian Peasant Workers (CSUTCB) also voiced support for the coca growers' demands through leader Felix Santos, who pointed out the need to tackle this problem in a comprehensive manner because "partial" solutions do not have positive results.

Bolivian Vice President Victor Hugo Cardenas condemned the violence in Chapare and said he was against eradication by force of surplus coca plantations.

Cardenas said: "Forced eradication only means violence, which we reject," and suggested that the reduction of surplus plantations be carried out based on agreements with the producers and their grass-roots organizations.

### Coca Eradication Plan To Continue Despite Protest

*PY1803232594 Cochabamba LOS TIEMPOS in Spanish 1 Mar 94 p A5*

[Text] The Coca Reduction Directorate, Direco, will continue coca farm reduction plans in the tropical zone despite the peasants' mobilization in the region, a reliable Direco source reported. The source justified the actions by one of the brigades that on 26 February destroyed approximately 2.5 hectares of coca farms in San Pablo colony.

He said there is no reason for either suspending or interfering with the development of reduction plans.

The forceful eradication of coca farms began on 28 February, during carnival celebrations, and less than five hectares of illegal coca farms have been destroyed since then.

Despite the small area of eradicated coca farms, its connotations did have repercussions because of the violent procedure and the clashes between coca growers and police who protected the eradication brigades.

The Direco source said that in all the cases in which coca farms were forcefully eradicated, the farms were affected by the interdiction work because they had maceration pits, and this makes them illegal.

Said the source: "In the three cases, we did as established by Article 71 of Law No. 1008, that is, the farms were destroyed without any compensation. The law authorizes transfer of the land to state ownership, but this has not been done yet."

The new coca eradication brigades are made up of some 400 officials, most of them antinarcotics policemen who provide security and coverage, while Direco officials contract personnel for the destruction of farms.

In addition to compulsory eradication, voluntary eradication after payment of $2,000 per hectare is still in force.

The source added: "Many peasants have registered on the Direco lists for eradication of their coca farms, asking for the corresponding compensation."

He said that during the 26 February incidents, no Direco personnel were injured or mistreated, but there was a big shock.

### President Sanchez Returns From Five-Day Trip

*PY1903033394 La Paz Television Nacional Network in Spanish 0100 GMT 19 Mar 94*

[Excerpt] President Gonzalo Sanchez de Lozada returned to the country today after a five-day trip. President Sanchez was in Paraguay, Brazil, and Argentina. [passage omitted]

### President Reportedly Preparing Cabinet Reshuffle

*PY2003202994 Madrid EFE in Spanish 1751 GMT 20 Mar 94*

[Text] La Paz, 20 Mar (EFE)—Government sources told EFE that Bolivian President Gonzalo Sanchez de Lozada will reshuffle his cabinet in the next few days.

A majority of La Paz newspapers said in their front pages on 20 March that Sanchez de Lozada will reshuffle his cabinet, dismissing some of his ministers and changing the assignment of others, possibly on 22 March.

The sources consulted by EFE said the ministers who will almost surely leave the government are Defense Minister Antonio Cespedes, Labor Minister Reynaldo Peters, and Interior Minister German Quiroga.

The same sources said the "super ministers" of economic development, Fernando Illanes, and human development, Fernando Romero, will have their assignments changed.

The sources also said that current Minister of the Presidency Carlos Sanchez Berzain and an outstanding entrepreneur and political leader from Santa Cruz are the leading candidates to replace Interior Minister Quiroga if he leaves the cabinet.

Sanchez de Lozada's government is formed by a coalition of his party, the liberal Nationalist Revolutionary Movement (MNR), the populist Civic Solidarity Union (UCS), and the social democratic Free Bolivia Movement (MBL).

The UCS, the party granting the MNR control of the absolute majority in Congress, presently has one of its members as head of the Defense Ministry. The post was assigned to Antonio Cespedes, but he is expected to leave the government because his own party has requested that he be removed.

The MBL, whose votes in Congress are not essential, was able to get the Foreign Ministry for its leader Antonio Aranibar. His continuation is assured because he seems to be Sanchez de Lozada's government's most popular minister.

Sanchez de Lozada formed his government on 6 August 1993 after his victory by a relative majority in the 6 June 1993 election.

In these seven months of government, Sanchez de Lozada's cabinet has established the legislative basis for a future absolute transformation of the Bolivian economy and administration.

The key instruments in this transformation are the Capitalization Law to privatize public companies, and the People's Participation Law to give more power to citizens in the political and administrative decision-making process and the allotment of state resources through the country's municipalization.

Sanchez de Lozada also has reorganized the executive branch by significantly reducing, among other things, the number of ministries.

## Brazil

### IMF Postpones Approval of Standby Agreement

*PY1803153494 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Mar 94 Economic Section p B3*

[Article by Ribamar Oliveira and Paulo Sotero]

[Text] Washington—Contrary to government expectations, IMF Managing Director Michel Camdessus yesterday postponed announcing the approval of a standby agreement with Brazil. He said a decision would "probably" be made after the third stage of the FHC2 Plan [Fernando Henrique Cardoso's second plan], when the URV [real value unit] becomes the real. Until then, Camdessus proposed to Finance Minister Fernando Henrique Cardoso "close cooperation within an IMF monitoring program."

Even though he did not announce the standby agreement, Camdessus did everything possible to make clear his support for "Cardoso's efforts to stabilize the Brazilian economy." In a joint appearance with the minister, Camdessus expressed his inclination to support Brazil's economic plan and continue working with the Brazilian Government.

Stressing the importance of using "appropriate language," Camdessus read a communique in which he summarized what he called the country's "significant progress" in fighting inflation; a fiscal program that anticipates a zero operational deficit, a primary surplus of more than 4 percent of the GDP, the acceleration of the privatization program, strong monetary policies, and the conclusion of an agreement to restructure Brazil's debt with banks.

The doubt created by the communique is whether it will be enough to convince the U.S. Treasury Department to issue the bonds that will serve to consolidate the agreement with banks, which has already been signed, but which according to contractual conditions can only become effective if the Treasury issues the appropriate guarantee mechanisms.

During the afternoon Cardoso had a meeting with Treasury Under Secretary Lawrence Summers to discuss the issue. "I am sure we already have the formula to close an agreement with the banks," Cardoso said before the meeting. At the Treasury Camdessus' statements were considered "a very positive development." An official source said that the condition for the issuing of guarantees has always been "an adequate agreement" with the IMF. This might indicate a more flexible position on the part of the U.S. Government, which conditioned the issuing of the guarantee bonds to Brazil's signing of the standby agreement with the IMF.

The main difficulty with the IMF is the doubts of the experts who visited Brazil. The experts doubt that the fiscal adjustment will effectively achieve an operational balancing of public accounts with an appreciable drop in the inflation rate. The experts warned the government that when inflation drops there will be a substantial drop in revenues, and budget disbursements will increase.

Central Bank President Pedro Malan, Economic Policy Secretary Winston Fritsch, and BNDES [National Bank for Economic and Social Development] President Persio Arida are discussing with IMF experts several budget disbursement projections based on a monthly inflation rate close to zero. If we are to go by Camdessus' remarks, everything seems to indicate that the Brazilian mission has not yet convinced the IMF.

Camdessus said that the IMF will continue preparing the technical memorandum on the program, and will present a report to the executive board "as soon as possible." This will be serve, at the right time, as the basis for a letter of intent on a program to be implemented in the second half of 1994 and for a basic 1995 economic model.

## Editorial Interprets IMF Note as Support for Cardoso's Candidacy

*PY1803205894 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Mar 94 Section 1 p 2*

[Editorial: "The IMF Backs Fernando Henrique Cardoso"]

[Text] The official note issued on 16 March by IMF Managing General Michel Camdessus undoubtedly is a sign of great support for the Brazilian Government's economic program and, in turn, Finance Minister Fernando Henrique Cardoso.

The language of Camdessus' message is even surprising taking into account that the IMF was upset—and rightly so—because several Brazilian administrations failed to honor the terms of the agreements signed with this international organization. It was, therefore, only natural that the IMF receive with skepticism any promises coming from Brasilia to stabilize the country's economy.

Quite the opposite happened. The IMF, through its managing director, accepted promises that are easiest to measure, such as the promise that the operational deficit (including the interest on domestic and foreign debts) will be zero in 1994 and that there will be a primary surplus (without interest) of around 4 percent of the GDP. The IMF also accepted the economic team's argument that the implementation of the URV [Real Value Unit] will do away with the "backward-looking" [preceding two words in English] indexation, that is, that takes past inflation into account.

Consequently, the IMF promises to work closely with Brazilian authorities to help the economic program launched on 28 February be successful "soon." But Camdessus has promised to extend this cooperation to the immediate future by promising a stand-by agreement or another way of close cooperation, for a start, when the new currency, the real, is put into circulation.

The IMF's green light paves the road for Brazil to reach an agreement with the private creditor banks that, in turn, will again make Brazil more attractive to investors. The terms of Camdessus' message are so categorical and even unusual that they sound almost as an invitation to invest in Brazil, which, as is obvious, will only contribute to the program's success.

Although, in its capacity as a technical organization, the IMF will not interfere in domestic political affairs, it is hard to ignore the political message contained in the note. The note undoubtedly represents a strong backing by the international financial community for the finance minister either for what is left of his mandate or, namely, a presidential candidacy.

## Finance Minister Announces Agreement With Creditor Banks

*PY1903031294 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 18 Mar 94*

[Text] Brazil today reached an agreement with the Creditor Banks Committee even without the IMF's participation. The announcement was made today by Finance Minister Fernando Henrique Cardoso in New York.

[Begin recording] [Reporter Paulo Henrique Amorim] Minister Fernando Henrique Cardoso today received from the Brazilian representative at the World Bank, Marcos Caramuru, information on the decision just made by the creditor banks. Cardoso then talked with reporters.

[Cardoso] We are, therefore, in a condition to say that by 15 April, which is the deadline, the foreign debt issue will definitely be a closed issue.

[Amorim] In other words, after 11 years Brazil finally has a final agreement with the creditor banks.

[Cardoso] That is right, after 11 years. I believe the banks committee decision conveys to the financial community that Brazil is now solvent, that it is even with its foreign debt.

[Amorim] Now that this problem has been solved, does your candidacy for the presidency become more or less feasible?

[Cardoso] No, that makes Brazilian growth more feasible, the economic program more feasible; I believe in a short time it will allow the so-called risk interest rate to fall because there will be no reasons for that, because we will no longer have any problems with the international financial community. Any candidacy based on an economic program of the type we proposed, but not necessarily mine, will be stronger.

[Amorim] Nothing resembles the program of Minister Fernando Henrique Cardoso more than Fernando Henrique Cardoso.

[Cardoso] Certainly, the program is really close if not identical to my beliefs. I say it is not perhaps identical because the program is not mine alone; it is also the country's. But I believe this program is an important program. I believe the acceptance made in the foreign debt negotiations is a vote of confidence. Even when we did not yet have the final and necessary guarantees for an agreement, we already had obtained from the international financial community a very clear signal that Brazil has all the necessary conditions for growth. And I believe anyone who bets on that will bet on Brazil, and betting on Brazil means he will have a chance to win for the benefit of Brazil. I repeat, it is not necessary that I be the one, but someone like me. [end recording]

The Banks Committee has suggested that the Brazilian creditor banks grant a waiver [preceding word in English], that is, a pardon for the Brazilian Government, to close the foreign debt negotiations even without an agreement with the IMF. The banks have until 24 March to reply. The pardon will only be possible if it is approved by two-thirds of the creditors.

## Finance Minister Discusses IMF Talks, Possible Candidacy

*PY1903234794 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Mar 94 p A4*

[Article by "special correspondent" Ribamar Oliveira]

[Text] New York—Finance Minister Fernando Henrique Cardoso on 18 March said that if he decides to run for the presidency he will not be "the anti-Lula [Workers Party, PT, candidate Luis Inacio Lula da Silva] candidate." Cardoso, who is in New York negotiating a debt agreement with creditor banks, said the IMF directorate is aware of the possibility that he may leave the ministry to run for the elections and that such a situation would not harm the negotiations. The following are the main points of his news conference:

Candidacy—"If I were a candidate, I would not be the anti-Lula candidate. That is a mistake. But I have not decided yet whether I will be a candidate. My dilemma is not that. I must see whether the economic stabilization plan can be maintained if I leave the ministry. It is not an elementary issue. Frankly, I'd rather support some other candidate."

PT—"The PT's problem is that it is a party that has very defined ideas that go against the current issues. The PT has never assumed a negotiating position and that makes things difficult. The PT presupposes that it has an inherited or divine right to govern the country. This is a mistake that makes them assume a presumptuous and mistaken attitude. If it were not for that reason we could negotiate even with the PT. But with that attitude it is very difficult."

Alliances—"We also made an effort with the PMDB [Brazilian Democratic Movement Party]. But nobody knows who will be the PMDB candidate. Talks with the PFL [Liberal Front Party] were suspended because it is too early to discuss alliances. It is true that no one will be able to govern alone in this country. The people currently want a common plan among the country's political forces. We are offering the people a real plan, a real path. Those who attack us are not presenting alternatives. Everyone knows it is necessary to establish a path. The stabilization of our currency is only a precondition to deal with the major national problems."

IMF—"I did not discuss the issue of my candidacy with the IMF. It would have been inappropriate. Despite the rumors and insinuations in Brazil, I have not made a decision yet about my candidacy. But the IMF directors know I could become a candidate. I do not believe my candidacy would affect relations with the IMF."

Constitution Revision Process—"Anyone who has a notion of what is going on in Brazil knows it is necessary to amend the Constitution. Not many articles must be modified and I think there already exists a consensus about them. Maybe this consensus is not sensed in Congress, but it does exist in society."

Veto—"This is not the moment for discussing wage privileges for the public sector. The fact that the Chamber of Deputies has not understood this is very serious."

## Deputies Reject Presidential Veto, Hike Own Salaries

*PY1803231094 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Mar 94 Section 1 p 6*

[Article by William Franca from the Brasilia Bureau]

[Text] The Chamber of Deputies on 16 March rejected President Itamar Franco's veto of an article of the law that establishes public employees' salaries and increased their salaries to the same level as those of the justices of the Supreme Court. This represents a real increase of 23.66 percent as of March. Ministers will also benefit from the measure and receive a 95.14 percent hike. The move was voted on in a secret session and must be

approved by a majority in the Senate (which did not have a quorum on 16 March).

If the Senate ratifies the decision, federal deputies, senators, ministers, and Supreme Court justices will receive in March the equivalent of 6,123.51 URV's [Real Value Unit] (in other words, 4,699,606.77 cruzeiros at the 16 March URV rate). This decision will generate "a domino effect" because the internal rules and regulations of Congress allows for the revision of the salaries of all other employees to maintain parity. This will also occur in the state legislatures and municipal town halls where salaries are pegged to those of federal deputies, the National Accounting Office, and the Attorney General's Office.

Within the executive branch, the rejection of the veto will permit employees of state and semi-state enterprises, such as Petrobras [Brazilian Petroleum Corporation], the Central Bank, and the Federal Police to have their salaries readjusted. No estimation has been made of how much this will increase the payroll.

### Government Concerned Over Salary Increase

*PY1903001394 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Mar 94 p A4*

[Article by Vania Cristino]

[Text] Brasilia—Preliminary government estimates show that the Chamber of Deputies decision to increase the salaries of legislators, and the Supreme Court ruling to move forward the date by 10 days for calculating the mean salary level used to convert salaries to URV's [Real Value Unit], will cost the government an additional $270 million. This could climb to $2.1 billion during the year if civilian and military public servants demand their share according to the salary equity principle. Labor Minister Walter Barelli, who worked out the figures, regretted the decision. He considers it harmful to the economic plan. In Washington, Finance Minister Fernando Henrique Cardoso said he hopes "the Senate will have the political insight to see that this measure cannot be approved now."

"It was an unforgivable and unjustifiable decision. We cannot promote salary equality through speeches," Cardoso said. "If the veto is overridden we will have to cut other expenses, perhaps funds allotted to the Chamber of Deputies itself." The minister said the government is aware that salaries in some categories are too low, but this is not the way to solve the problem. Barelli said the new measure means government spending will amount to almost half what it expects to collect with the IPMF [Provisional Tax on Financial Operations]. This will be the case if all public servants demand and obtain equal treatment.

The labor minister made these remarks following a special meeting of the Severance Pay Fund (FGTS) Oversight Board. Barelli said the government is aware of the decision and is preparing to face the problem, which he classified as a power jurisdiction problem. Barelli said the issue is being analyzed by the government attorney because it violates the principle of salary equity, which is a constitutional tenet.

The greatest government fear is that the legislative branch decision and the Supreme Court ruling might provoke a chain reaction involving civilian and military federal employees. They can use the same salary equity principle to get their salaries raised the way it was done by the Chamber of Deputies, overriding the presidential veto which reestablished the salary ceiling for public employees as the amount earned by ministers. The same can happen with the Supreme Court decision to move the date for calculating the mean salary level for the past four months from the 30th to the 20th of each month. The decision will result in higher salary levels at the time of converting them to URV's.

### Navy Criticizes Congressmen

*PY1903001194 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Mar 94 p A6*

[Text] Rio de Janeiro—Navy Minister Admiral Ivan Serpa has criticized the decision of the Chamber of Deputies to increase the salaries of its members.

He stressed: "This makes even more unattainable the proposal for salary equity between branches of government and increases unrest." He stated that the military has accumulated a very significant loss in purchasing power. He cited his own case: "In March 1990, while in the post of squadron commander, I received a salary equivalent to $3,000: Today I receive the equivalent of $1,200."

The minister said the lack of motivation within the organization is so perceptible that 49 Navy officers are pursuing other posts within the state itself. The admiral vehemently defended the FHC2 [Finance Minister Fernando Henrique Cardoso-2] plan on the "Tomorrow's Journal" program broadcast by TVE [Rio de Janeiro Educativa Television] on 16 March. "If inflation drops there will be a gradual recovery in purchasing power and we are betting on this," he said.

When fiscal and monetary adjustments attain their goals, previous losses lose significance, he commented. The minister also defended a return of investments to modernize the Armed Forces and the creation of a salary program for the military once stabilization has been achieved.

Pedro Simon (PMDB-RS) [Brazilian Democratic Movement Party-Rio Grande do Sul State], the government leader [in the Senate], and Senator Jose Richa (PSDB-PR) [Brazilian Social Democracy Party-Parana State], are heading the movement in the Senate to maintain President Itamar Franco's veto against the salary equity between congressmen and Supreme Court (STF) judges. "It is an act of immorality that will have a devastating effect on the economic stabilization plan," Richa stressed. Richa and Simon on 16 March began to press

their colleagues on the "unsuitability of the increase." On 17 March, the senators were convinced that their pressing would work. "It is a delicate situation; the Senate must be seen to maintain the veto," Simon said.

The greatest difficulty to overcome is the blockade imposed by their colleagues that will lose their mandates this year because they will not seek reelection. One party leader said there is a group of senators leaving public life which will vote against the veto. "They wish to take advantage of the salary increase at least for the next few months," the leader said.

### Military Criticizes Congress, STF

*PY2003011194 Rio de Janeiro O GLOBO in Portuguese 19 Mar 94 p 9*

[Article by Sandra Brasi and Mirian Guaraciaba]

[Text] Brasilia—The decisions of the national Congress and the Federal Supreme Court [STF] to establish privileges for public employees—the so-called maharajas—and increase their own salaries have irritated the military ministers so much that they asked for a meeting with President Itamar Franco.

Called for 1600, the ministers of the Army, Zenildo Lucena; Aeronautics, Lelio Lobo; Navy, Ivan Serpa; EMFA [Armed Forces Staff], Arnaldo Leite Pereira; and nine other ministers met with Franco to discuss the problem created by Congress' rejection of the presidential vetoes of the Salary Equity Law and by the STF's approval of a real 10.9 percent salary increase for employees of the legislative and judicial branches and the Attorney General's Office.

The salary increase was obtained through the salary conversion to URV's [Real Value Unit] by using a different base date from that determined by the government provisional measure.

"They sent us to the kitchen with the great mass of public employees, while they remained in the living room," a general said in irritation.

The military was taken by surprise by the decision by Congress and the STF just when they were beginning to accept the government's refusal to grant the troops a 35 percent wage increase claimed since last November.

The military ministers stressed the fact that the pressures for a wage increase come from the bases. And they feel obliged to give an explanation to the troops. Their irritation is so great that they even questioned democratic stability.

"When the exercise of democracy is so sensitive to the point of meeting the demands of groups or individuals, democracy is weak," an active-duty military officer said.

The military's disgust was sensed by the president of the Republic early on the afternoon of 18 March when he received in his office a manifesto signed by more than 100 military personnel, including retired General Euclides Figueiredo, brother of former President Joao Batista Figueiredo. In the document, the soldiers preach the closure of Congress and the replacement of the STF justices by career judges.

A retired officer with influence on the president's office attacked: "If it were up to me, they would all be arrested," he said, meaning the STF justices.

Before attending the meeting in Planalto Palace, SAF [Federal Administration Secretary] Romildo Canhim said democracy is not threatened.

### Leaders To Discuss Suspension of Constitutional Revision

*PY2003010894 Rio de Janeiro O GLOBO in Portuguese 19 Mar 94 p 5*

[Text] Brasilia—The future of the constitutional revision process will be decided on 22 March during a meeting of party leaders and Congress President Senator Humberto Lucena (PMDB-PB [Brazilian Democratic Movement Party-Paraiba]). The suggestion to hold the meeting to see whether the constitutional revision process takes off once and for all was made by the PMDB leader in the lower house, Deputy Tarcicio Delgado (MG [Minas Gerais]), who believes the work will not continue.

"Either the constitutional revision is made, or it is not. We must make a decision in order not to act like clowns. Right now, attention is centered on the economic plan, the stripping of the political rights of congressmen, and the election race," Delgado said.

The proposal of PSDB [Brazilian Social Democracy Party] leader Deputy Artur da Tavola (RJ [Rio de Janeiro]) to suspend the constitutional revision work after voting on subjects of consensus and to resume the work in 1995 is gaining force in Congress. Tavola believes he has found a formula to make the proposal legally feasible. He maintains that the power to amend the Constitution could be delegated to another congress by including an article in the chapter of temporary provisions of the Constitution.

Deputy Miro Teixeira [PDT [Democratic Labor Party]-RJ) agrees with constitutional revision rapporteur Deputy Nelson Jobim (PMDB-RS [Rio Grande do Sul]) that any proposal to suspend the work is unconstitutional. He said the anticipated promulgation of the Social Emergency Fund (FSE) has frozen the deadline of the revision work in order to prevent questioning by the STF [Federal Supreme Court].

### Chamber of Deputies Official Urges Postponement

*PY1903231994 Rio de Janeiro O GLOBO in Portuguese 19 Mar 94 p 18*

[Excerpts] Salvador, Bahia—Chamber of Deputies President Inocencio de Oliveira (PFL [Liberal Front Party])

agrees with postponing the Constitution revision process until next year, as suggested by PSDB [Brazilian Social Democracy Party] leader Artur da Tavola (RJ [Rio de Janeiro]). PT [Workers Party] presidential candidate Luis Inacio Lula da Silva also favors this idea. Oliveira believes that to close the current Constitution revision process now and reopen it in 1995 may solve the impasse of the Constitution revision work.

"I believe it is a solution that might satisfy the people if the most important amendments are not approved by 31 May," Lula said.

Lula, who attended a demonstration against the end of the monopolies in the oil and telecommunications industries in Salvador, believes the political atmosphere does not favor the constitutional revision.

"The PT not only supports the postponement of the work, but also thanks God that the congressmen have had a little bit of good sense to understand that the revision process cannot continue under the current circumstances," Lula added. [passage omitted]

After the dedication of the Sarah Hospital in Salvador, Oliveira nonetheless admitted there are two obstacles to Tavola's suggestion: the amendments that already have been approved and the 31 May deadline approved by the Constituent Congress.

But Oliveira believes the issue should be taken to the Federal Supreme Court based on the fact that the temporary Constitution measures that authorized the amendment process did not include a deadline for finishing the revision works. [passage omitted]

### Cuban Ambassador Sees 'Changing' U.S. Attitude

*PY1803190494 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Mar 94 Section 2 p 14*

[Text] Cuban Ambassador to Brazil Jorge Bolanos has said the U.S. attitude toward Cuba "is changing." He said there is no longer consensus among U.S. citizens of Cuban descent about whether Washington's economic embargo—which has been in force since 1960—should be maintained. "Most are against it," he said.

Bolanos, 55, was interviewed by FOLHA during a farewell dinner offered by the Brazilian-Cuban Chamber of Commerce in Sao Paulo. He said it was "entirely contradictory" for the United States to maintain the embargo on Cuba since revoked in February the similar sanctions it imposed on Vietnam. "Both countries are Communist, both have a single party system, and both have a centralized economy."

Bolanos does not believe the UN Human Rights Commission 11 March decision to condemn Cuba reflects the country's isolation. "It just proves the organization is subordinated to the United States."

He said he believes the opening of the Cuban economy will not destabilize its political system. He cited the former USSR as an example of the "illusion of capitalism" and mentioned the PRC and Vietnam as examples of Communist countries that have modernized their economies without losing political stability.

Bolanos, the first ambassador to Brazil since the two countries resumed diplomatic relations seven years ago, will become the Cuban deputy foreign minister.

### Cuban Minister Vecino Alegret Lectures at War College

*PY1803231294 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Mar 94 p A4*

[Text] Rio de Janeiro—For the first time in 45 years the War College (ESG) opened its doors to a hero of the Cuban revolution. About 60 professors, and officers and civilians were in the college auditorium to listen to a lecture by Cuban Higher Education Minister Fernando Vecino Alegret, who fought next to Fidel Castro and was vice minister of the Cuban Revolutionary Armed Forces. "Times change," said the former officer, who faced in a natural way the fact that the school was a center for anti-communist preaching during the military regime. ESG Commander Brigadier Sergio Ferolla said: "The doors of the school are open to all without restrictions."

## Colombia

### AD/M-19 Members Confirm Navarro as Candidate

*PA1803143794 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 18 Mar 94*

[From the "Caracol's 0600 to 0900" newscast]

[Text] AD/M-19 [19 April Movement Democratic Alliance] members of Antonio Navarro's presidential campaign have just made the following announcement: Antonio Navarro does not plan to withdraw his candidacy. AD/M-19 congressmen, contrary to what has been reported in some media, have confirmed their solidarity with Antonio Navarro. The AD/M-19 congressmen will meet in Santa Fe de Bogota at 0900 today to begin a new course, a new boost to Antonio Navarro's candidacy.

Jose Cuesta is one of the AD/M-19 leaders proposing Navarro give up his candidacy and that Ramon Jimeno should be the presidential candidate and Gustavo Petro should be the vice presidential candidate for the AD/M-19, but Gustavo Petro has said he does not accept Jose Cuesta's proposal and supports Antonio Navarro.

### PL Finalizes Ticket; Samper Unveils Platform

*PA1903015194 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 18 Mar 94*

[Report by Ana Fernanda Valderrama from the Gonzalo Jimenez de Quezada Convention Center, site of the

Liberal Party convention, in Santa Fe de Bogota; from the "National Newscast"—live relay]

[Text] After being proclaimed the Liberal Party's [PL] presidential candidate and sole leader, Ernesto Samper Pizano is ready to officially announce at any moment Humberto de la Calle Lombana as the PL's vice presidential candidate.

Humberto de la Calle Lombana has repeatedly denied he will accept this nomination. Nevertheless, within the past few hours, following extensive consultations within the PL, he has accepted the nomination. A few minutes before entering this hall at the Gonzalo Jimenez de Quezada Convention Center, where the PL convention is being held, Humberto de la Calle Lombana said he decided to accept the nomination for the sake of the fatherland and not as a personal challenge. We have prepared a report on why Humberto de la Calle's acceptance of the nomination is a key victory for Ernesto Samper Pizano.

[Begin unidentified reporter recording] Humberto de la Calle holds the key for Samper to become the president of the Republic. He is at the top of the polls, and he finished second in the primary. There is no significant opposition to him within the party, which should guarantee at least 80 percent of the party's support for a Samper-De La Calle ticket. He comes from the provinces, which means he can garner regional votes, and he is associated with the Gaviria government and is considered to have the utmost integrity. In vain, De la Calle had struggled to coerce Samper to face him in a public debate, and he had vowed he would never become a vice presidential candidate. He is a neoliberal, and, in sharp contrast to Samper's status quo views, he personifies a political renaissance.

De la Calle is well-know throughout the country thanks to a Conservative, Belisario Betancur, who appointed him registrar during his administration. His other great promoter was Cesar Gaviria, who appointed him government minister to serve as his right-hand man in political matters. As minister, he presided over the National Constituent Assembly, and ironically, as the presidential designate he led the battle for the creation of the vice presidency. His work in the assembly groomed him as a PL presidential hopeful. [end recording]

Humberto de la Calle has just been officially named the vice presidential candidate on Samper Pizano's presidential ticket, and the news is being well received. The convention also has just proclaimed Ernesto Samper as the party's official presidential candidate and sole leader of the PL. Samper Pizano is already presenting his platform.

Right now, Ernesto Samper is presenting his economic proposals. His main issue will be employment. He also says, if he is elected president, he will appoint a peace commissioner at the ministerial level. This would mean the elimination of the Office of the Peace Adviser, as well as the elimination of the Government Ministry, which would then be called the Ministry of the Interior and would be placed in charge of developing a policy to decentralize the state.

Samper Pizano also has voiced full support for the pastoral work of the bishops of Colombia, who have been seriously questioned in recent days. He also said he will promote women into various government posts.

Ernesto Samper Pizano has just announced a very radical proposal in his peace policy. He says he will wage an all-out fight against the guerrillas without any negotiations whatsoever. Likewise, he has announced he is favor of Colombia ratifying the Second Geneva Protocol, which would include the guerrillas in reports that pertain to human rights violations.

### De la Calle on Vice Presidential Nomination

*PA1903022494 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 19 Mar 94*

[From the "24 Hours Newscast"]

[Excerpts] Humberto de la Calle Lombana was named today at the Liberal Party [PL] convention as the vice presidential candidate, but many surprised viewers wonder today why several days ago he vehemently said 1,001 times that he would not accept the vice presidency because he considered it to be a consolation prize. [passage omitted]

[Begin recording] [De la Calle Lombana] Many friends told me that there was a possibility I would not qualify for office in 1998 and that therefore I should fight that possibility by all means. In the end I reached the conclusion that Colombia and the PL are above everything. [applause] [passage omitted]

[Unidentified reporter] Do you think that your decision now will take credibility away from you, and if that is the case, how can you recover it?

[De la Calle] I do not think so, because I was sincere when I said I was not aspiring to the vice presidency. That was what I felt at that time. At this time, I now feel that it is necessary to set aside personal interests and take action for the benefit of Colombia and the PL. This is not the time for being selfish or having personal ambitions. [end recording] [passage omitted]

### Pastrana Chooses Running Mate

*PA1903193794 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 19 Mar 94*

[From the "NTC Newscast"]

[Text] Foreign Minister Noemi Sanin, Rodrigo Lloreda Caicedo, or Francico Posada de la Penada were not chosen. Luis Fernando Ramirez, the current labor minister, was the secret ace Conservative Party presidential candidate Andres Pastrana held up his sleeve as his candidate for the vice presidency. Pastrana, who said he

did not feel pressured by the Liberal Party's Samper-de la Calle ticket, said Ramirez' appointment did not show sectarianism but was a true key to the furtherance of social and labor programs.

[Begin recording] [Pastrana] I have no doubt whatsoever about such a noble and loyal traveling companion. We perceive even more clearly our future victory. [end recording]

Luis Fernando Ramirez Acuna, who was born in Santander and is 35 years old, was selected as the star minister in the Gaviria cabinet last year. He stood out for his struggle to get Congress to approve the Social Security Law. He has been the tax revenue director twice, and he soberly accepted the vice presidential postulation today.

[Begin recording] [Ramirez] I am honored to be the running mate of Andres Pastrana, the man Colombians are awaiting to manage the country's future. I hope with your and all Colombians' cooperation this country will continue on the path to growth, progress, and optimism, the path offered by our ticket. Today, I have the great honor of accepting to accompany Andres Pastrana, and I do so with great pride. Thank you. [end recording]

## ELN Releases 13 Officials, Kills 1 Voting Officer

*PA1803190094 Santa Fe de Bogota EL TIEMPO in Spanish 15 Mar 94 p 13a*

[Text] While 13 officials of the Rio de Oro Municipal Registry Office (in Cesar Department) whom the ELN [Army of National Liberation] kidnapped were released yesterday in a rural area of that town, rebels of the same group destroyed the tally sheets of several districts in Achi (Bolivar Department).

According to the Cesar police, Edilberto Duran Osorio, Edna Barbosa, Sandra Quintero, Hernando Rueda, Teresa Caselles Casadiego, Nancy del Rosario Herrera, Ramon Elias Chichilla, Yesid Augusto Rincon, Maria Carrascal, Jose del Carmen Porras, Obdulio Herrera, Freddy Antonio Leon, and Nixa Salome Sanchez were released yesterday morning.

The officials had gone to coordinate the district elections in La Palestina, Puerto Nuevo, and El Hobo, Rio de Oro Municipality. In addition, reports by the police and the Departmental Office indicated that close to 3,400 citizens who had registered to vote in the rural areas of Rio de Oro, Aguachica, and San Diego were unable to due to pressure from the guerrillas.

The Bolivar police stated yesterday morning that the ELN burned the tally sheets (approximately 1,000 ballots) in the Tache, San Jacinto de Achi, Bermudas, and Mejico District, Achi Municipality. The attack came when the voting officers of four villages were traveling on the Magdalena River to bring the ballot boxes to the municipality's capital city. The delinquents intercepted them and destroyed the ballot boxes, voting lists, and other documents.

Colonel Hector Castro Cabrera, Bolivar police commander, said nobody voted in Pinones District (with a potential of 160 voters), Mompox Jurisdiction, and denied reports that San Pablo Mayor Manuel Rudas Ruedas had been kidnapped.

The murder of voting officer Luis Arnulfo Campana Lloreda and the theft of two ballot boxes in Agua Sal District, Bagado Jurisdiction, shattered the calm surrounding the vote-counting process taking place in El Choco Department. The incidents occurred at about 1000 in the morning when the four members of a commission were walking toward Bagado carrying the ballot boxes containing 373 votes. According to an official report by the Choco police, an ELN group took the commission members by surprise and later killed Campana.

## New Mines, Energy Deputy Minister Appointed

*PA1803193394 Santa Fe de Bogota EL TIEMPO in Spanish 16 Mar 94 p 1B*

[Text] The government appointed Augusto Garcia as the new mines and energy deputy minister. Garcia had been in the post of secretary general of the Mines and Energy Ministry. Garcia, an attorney from Barranquilla, has held the positions of secretary general of the Northern Financial Corporation, regional manager of La Andina Insurance Company, and director of the Business Register of the Barranquilla Chamber of Commerce. Garcia will replace Federico Rengifo Velez, who recently submitted his resignation.

## De Greiff: U.S. Senator Kerry's Opinions 'False'

*PA1903195394 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 19 Mar 94*

[From the "NTC Newscast"]

[Text] Prosecutor General Gustavo de Greiff was surprised and upset by U.S. Senator John Kerry's statements regarding policies of the Prosecutor General's Office on drug-trafficking problems.

[Begin de Greiff recording] Senator Kerry's opinions are not only false but also very offensive. I believe they not only offend me but the country as well. [end recording]

The prosecutor has also said the government should clarify to the senator his serious errors of assessment.

[Begin de Greiff recording] We have kept informed the government institutions that cooperate with us on this issue. The prosecutor general has been present at all those meetings; thus, there has been no secret meeting. [end recording]

The prosecutor explained once again his position regarding the legalization of drugs and the negotiations with the alleged Cali Cartel drug lords.

[Begin de Greiff recording] This started a long time before the alleged meetings, which, according to Senator Kerry, were held clandestinely; thus, this gentleman is totally mistaken, and I believe Colombia should protest his statements. [end recording]

Prosecutor de Greiff sent a long document to Senator Kerry yesterday pointing out the conceptual and formal mistakes which, in his opinion, the senator made.

### Criticizes Drug-Consuming Countries

*PA2003192494 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 20 Mar 94*

[From the "NTC News" newscast]

[Text] Faced with criticism triggered by the Cali Cartel surrender process, the Prosecutor General's Office has issued a communique. The communique from the prosecutor general contains seven specific points:

1. His activities have been directed at the fight against all manifestations of crime. The destruction of the Medellin Cartel was due to constant work by the Prosecutor General's Office.

3. [Number as heard] All the work of the Prosecutor General's Office has been carried out within the framework of the penal code and the law recently reformed by Congress with full knowledge of the government.

4. The specific objective of the criticism regarding the spiritless contribution of consumer countries to the fight against drug-trafficking is to fight that illegal activity.

The final point of the communique notes the legalization of some drugs could become a deadly weapon capable of depriving drug traffickers of profits. The prosecutor general concluded the communique by stating he would rather die than live in a country where criminals can decide who will be the country's government officials and judges.

### Comments on U.S. Antidrug Support

*PA2103044994 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0130 GMT 21 Mar 94*

[From the "TV Today" newscast; passages within quotation marks recorded]

[Text] In an exclusive interview with the "TV Today" newscast, Prosecutor General Gustavo de Greiff has affirmed his determination to punish drug traffickers. He stressed the need for U.S. cooperation in this task with whatever evidence it may have, and he denounced a discredit campaign which seems to be underway.

[De Greiff] "I think this is a mistake, because if they really want us to put criminals in jail, they must help us with evidence; it would be absurd not to do so.

"In addition, they cannot expect us to throw people in jail without evidence. What we need is evidence, and that is the whole purpose of international cooperation."

Regarding the Cali Cartel drug traffickers, the prosecutor general added the Prosecutor General's Office has some evidence against them.

[De Greiff] "We have some evidence against them, but the more evidence we have the better."

De Greiff said the Prosecutor General's Office has the desire and determination to punish drug traffickers firmly.

[De Greiff] "What happens is that naturally, when the government demands and states drug traffickers be severely punished, it is implying there is someone who does not want to punish them, who might be me. This perception is absolutely wrong."

De Greiff added there is a campaign under way to discredit him.

[De Greiff] "I think this campaign is being handled erroneously. It is a very disloyal campaign that I think is affecting Colombia's image."

Despite everything, the prosecutor general affirmed his determination to fight crime.

[De Greiff] "My aim is to fight drug trafficking in all forms and to open the door to those who want to surrender to justice within the legal framework promulgated by the government."

Finally, de Greiff said he is expecting to receive an official communication from the U.S. State Department on judicial aid to Colombia.

### Attorney General Denies U.S. Freezes Aid

*PA2003193294 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 20 Mar 94*

[From the "NTC News" newscast]

[Text] A few minutes ago, Attorney General Gustavo Arrieta said it is not true that the United States has stopped sending evidence in conjunction with the Medellin Cartel surrender process in Colombia. International wire services have, over the past few hours, reported that the U.S. State Department will no longer cooperate with Colombian justice.

[Begin recording] [Unidentified reporter] Mr. Attorney General, what is the official information or reaction to reports by international wire services that U.S. legal assistance to Colombia has been suspended?

[Arrieta] Diego, the information I have from Colombian authorities is that this is not true.

[Reporter] Where could this information have originated then?

[Arrieta] I do not know. I think there are too many misunderstandings on this topic, too many unverified reports circulating. The truth is that the news could have come from any of these confusing reports. I reiterate, however, that according to the information I have, this is not true.

[Reporter] Mr. Prosecutor, what is the situation right now regarding U.S.-Colombian relations in conjunction with exchanging legal information relating to drug trafficking?

[Arrieta] These past few weeks we have talked with the U.S. State Department through the U.S. Embassy and with the support of the Colombian Government. The idea is to bolster this process because we believe that it continues to be fundamental for carrying out surrender policies and legal actions in Colombia. I do not think there is any sense in denying that relations have been tense and difficult, but we are working on this and I hope it turns out well and we will be able to rebuild the judicial cooperation program.

[Reporter] Does cooperation continue despite current problems?

[Arrieta] Yes, we have received cooperation these past few days. Obviously, the intensity and level has dropped significantly, but I repeat, I believe it will recover. [end recording]

## Finance Minister Outlines 1994 Goals, Policies

*94SM0241A Santa Fe de Bogota EL TIEMPO in Spanish 13 Feb 94 p 2C*

[Article by Minister of Finance Rudolf Hommes: "The Economy Will Be Reorganized"]

[Text] The results achieved in terms of inflation and growth in 1993 and the favorable economic prospects for 1994, backed by a consistent macroeconomic program, have placed the Colombian economy on a path of rapid, stable growth. This in turn makes it possible to consolidate the program of structural reforms carried out by this government, reforms that are propelling the country into international markets.

The main macroeconomic objectives set by government officials are to reduce inflation to 19 percent, keep to the course of high economic growth of about 5 percent, limit the accumulation of reserves to $450 million, and maintain a balanced foreign exchange rate.

Authorities are employing two types of measures to achieve these objectives: moderate adjustments in the minimum wage, official wages, and prices for goods and public services based on the goal of inflation set, and a mixture of macroeconomic policies put together by the Bank of the Republic and the government in order to achieve the goals mentioned, based on consistent monetary, fiscal, and exchange objectives.

Both types of measures must be adopted. If the basic factors of inflation are not controlled, inflation will persist even if increases in wages and prices on goods and public services are held down. Inversely, if only traditional macroeconomic instruments are used, the rate of exchange will tend to be revalued as the result of an inertial behavior of wages and prices on nonadjustable economic goods.

### Prices and Wages

In order to control wages and prices for goods and public services, the government launched its attack on several fronts. In terms of wages, increases took both inflationary goals and an anticipated 2-percent increase in the average productivity of workers into account. These considerations gave rise to the wage goals promoted by the government.

In addition, the Ministry of Mines and Energy Regulatory Commission set 19 percent as the average increase in energy rates. Consistent with them, the Ministry raised the price of gasoline 19 percent. The minister of finance simultaneously requested and successfully obtained the cooperation of mayors in setting increases in public urban transport rates not exceeding the inflation goal set. In Bogota and Cali, for example, increases averaging 19 percent were authorized. Finally, leases, which are tied to the rate of inflation for the previous year, cannot increase by over 20.3 percent.

### Macro Policies

A. Monetary policy: In the monetary area, the Bank of the Republic board of directors established M1 growth rates consistent with the anticipated rate of inflation and will use the instruments it has to stay within them.

M1 growth is associated, on the one hand, with a demand for money consistent with inflationary goals and growth in the product and with moderate, stable interest rates. With respect to the money supply, the main sources of expansion are the accumulation of reserves, the liquidation of exchange certificates issued in the past for the purpose of blocking foreign exchange income, and the payment of interest by open market operations (OMAS).

In order to control the supply of money, it will therefore be necessary to prevent an excessive accumulation of reserves, which makes it possible to reduce the need to use open market operations. For that purpose, the government will make a basic contribution, inasmuch as fiscal measures will limit the accumulation of reserves and facilitate the task of controlling inflation enormously. The measures mean a spending cut of .7 percent

of the GDP and a decision to use resources from the fiscal surplus to prepay the foreign debt and invest abroad.

In addition, the recently approved exchange measures will also make it easier to control means of payment by allowing fluctuations in the rate of exchange within a margin. The size of that margin does not allow the government to monetize the fiscal surplus or act as a de facto mechanism to control public spending.

B. Fiscal policy: Within the context of modernizing the government and spending priorities set by the provisions of the new Political Constitution, this Administration has, during its four-year term, maintained balanced public finances, thus helping achieve goals in terms of inflation and growth.

The government will pass on a very favorable fiscal balance in 1994 and a surplus amounting to 2 percent of the GDP. This figure results from presuming that revenue from the consolidated public sector will increase by 37.4 percent, a projection which, in addition to anticipated collections of the principal tax resources, incorporates receipts from taxation and collection campaigns undertaken by DIAN [National Tax and Customs Directorate], a conservative estimate of monies collected from the sale of assets (600 billion pesos), and revenue amounting to $1.2 billion from the cellular telephone concession.

Total expenditures of the consolidated public sector will rise some 30.7 percent in 1994, 41.7 percent in the Central Government, and 25.2 percent in the decentralized sector. This growth is under that of the previous year (33.2 percent) and achieved by a .7-percent cut in the GDP approved by CONFIS [Fiscal Policy Council] at the end of December 1993 and the Council of Ministers in January of this year.

At the top of the list of the Central Government's spending is investment, up 45 percent over the 1993 figure. Likewise, transfers will increase an estimated 42.6 percent as a result of the Law on Competencies and Resources (regulating constitutional precepts governing the fiscal situation and the participation of municipalities in the nation's regular receipts) and the payment of back pensions.

The 45.3-percent increase in spending for personal services reflects this government's priorities in terms of strengthening internal security, the effectiveness of the judicial system, and the quality of the system of education via wage increases for police officers, the military, and judges, and the hiring of thousands of temporary teachers.

As noted, the public sector's surplus will be earmarked for reducing liabilities by prepayment of the foreign debt and Treasury investments abroad.

C. Exchange policy: The Bank of the Republic's board of directors has just modified the exchange system in order to make the monetary and exchange markets more transparent. Exchange certificates were eliminated, meaning that the exchange rate will now be freely determined by the market. Nevertheless, the Bank of the Republic will continue to put pressure on the dollar exchange rate.

Such intervention will take the form of the buying and selling of foreign exchange on the market, the establishment of a margin with maximum buying and selling rates so that the exchange rate will fluctuate, and the divulgence of a very short-term indicative exchange rate reflecting the intentions of the Bank of the Republic with respect to exchange objectives. It is hoped that these measures will cause the the exchange rate to fall gradually in keeping with the goal set for inflation.

**Financial Consistency**

The projected fiscal surplus is consistent with the aforementioned goal in terms of building up reserves and an annual 37.5-percent increase in credit to the private sector. The Ministry of Finance has drafted a financial plan to determine the deficit that could be financed based on new prospects for the balance of payments and the sale of government assets.

Compared with similar programs drafted in the past, the current plan was based on far more restrictive hypotheses, which suggests a broad margin of security in planning. In particular, assumptions included increased credit to the private sector, less growth in the holdings of financial entities, and a higher foreign private debt.

It was also assumed that the sale of government assets and government revenue from the cellular telephone system will automatically reduce the capacity of the consolidated financial system to grant credits for uses other than the financing of such operations. This would happen because the private sector would have to borrow (domestically or abroad) or liquidate assets in order to finance the purchase of shares and pay cellular telephone duties.

The main assumptions of the program were: 19-percent inflation, a 5-percent increase in the GDP, the accumulation of international reserves held by the Bank of the Republic amounting to $450 million, a 27-percent expansion in the private sector's portfolio (financial savings), a 37.5-percent increase in the credit granted by the consolidated financial system to the private sector, and a 28-percent increase in the financial sector's holdings (excluding the Bank of the Republic).

The results of an analysis of macroeconomic consistency show that a fiscal surplus of 298 billion pesos, equivalent to 1.48 percent of the GDP, would have to be generated. The required surplus is smaller than that projected for the public sector, as previously noted. This means that, instead of excessive financial pressure from the public sector, we shall have a promising situation from the standpoint of credit available to the private sector, which

in turn will permit growth in credit, and therefore in investment, far exceeding the anticipated growth in the GDP.

**Conclusions**

We believe that the picture described in this article ends once and for all last year's debate on uncontrolled public spending, and completely frees the government of any fiscal responsibility for any possible increase in the peso. The government has taken the necessary measures to guarantee exchange stability throughout the year and achieve the goal set for inflation.

In contrast with the views of economic experts connected with the different political campaigns, the government believes firmly that inflation should steadily drop by the year to one-digit levels and has made a major fiscal adjustment in order to achieve this goal. However, what is perhaps of greatest political importance is that the program will not only provide a balanced fiscal administration, but a prosperous one as well.

We are working to provide the next administration with resources and room to work financially. Turning the good prospects that we present into a reality will then depend on the Bank of the Republic's proper handling of monetary and exchange policies and on the fiscal responsibility of the next administration. We have done all we could on the fiscal and exchange fronts.

## Paraguay

### Seifart, DPRK Vice Premier Discuss Possible Trade Relations

*PY1903193094 Asuncion ULTIMA HORA in Spanish 18 Mar 94 p 6*

[Text] In a meeting with his DPRK counterpart Kim Pok-sin, Vice President Angel Seifart discussed the possibility of establishing trade relations with the DPRK and receiving technical assistance from that country.

Surprisingly, the meeting was held behind closed doors at a Febrerista Revolutionary Party office, after the meeting that should have been held at the Vice Presidency last week was canceled without explanation. Dr. Seifart said that the foreign minister had reminded Seifart that as vice president of the Republic, he could not receive the DPRK politician at the Vice Presidency because Paraguay does not have diplomatic relations with the DPRK.

It has been rumored, however, that the U.S. and ROK Embassies had strongly opposed the meeting.

"We want to be consistent with regard to our international policies. Until these two countries solve their unification problem we cannot risk harming the relations we have already established," Seifart explained. He thus tried to justify the position of the president of the Republic, who from the beginning said that his administration would not establish diplomatic relations "with any Communist country."

Seifart pointed out, however, that despite not having diplomatic relations with the DPRK, the government would not oppose having trade relations with that country.

### Bishop Explains Church's Support for Campesinos

*PY2103153094 Asuncion ULTIMA HORA in Spanish 17 Mar 94 p 3*

[Text] Monsignor Oscar Paez Garcete, president of the Paraguayan Episcopal Conference [CEP], has said: "The Church contributed to the campesinos by supporting them in their demands, which we believe to be legitimate. We helped them to prepare the first groups, the first organizations, through ecclesiastic movements and social pastoral activities, which helped them to organize, to become aware, and to become capable of reasoning in such a way as to identify and defend their rights."

He denied the report circulating in political circles that the Church contributed financially to the campesino march. "Neither the CEP nor any diocese did this formally. I do not know who disseminated this rumor. Some lay organizations of some parishes or the campesino movements themselves may have made contributions out of solidarity, which I believe is totally normal. In addition, campesinos are sufficiently mature to manage on their own," the bishop said.

He termed as "interesting" the solidarity that the campesinos received from other sectors. He added: "To a certain degree, some solidarity was expressed by opportunists. After the campesinos made the effort to gather in the interior and get to Asuncion, they encountered here in the capital some political and other groups that offered their solidarity. The power groups had the possibility, and even the obligation, to seek some kind of solution to this economic and social situation, which is not new."

He indicated that seeking a solution does not depend only on the president. "Congress and the judicial branch are also responsible. We need an improved judicial system and more guarantees in this sector. The drafting of budgets should also be improved. In addition to the lack of appropriate payment for products, there also a deficit in providing fundamental requirements: Education, roads, schools, health, and communications. All of these need resources from the budgets. The institutions that deal with budgets say they do not have the resources. A responsibility is to be found there."

"To support the campesinos also means relying on an appropriate legislation to collect resources from the people who have more, and other legislation to recover ill-gotten gains and put them at the service of the common welfare. This could have been done by the

power groups, who could have begun this task immediately so that the solidarity with the campesinos could have been expressed with concrete facts to help them," he concluded.

## Peru

### State of Emergency Extended in Lima, El Callao Port, Other Areas

*PY1803205694 Madrid EFE in Spanish 1736 GMT 18 Mar 94*

[Text] Lima, 18 Mar (EFE)—The Peruvian Government has extended the state of emergency in Lima and its port of El Callao for another 60 days because "continued terrorist actions force this measure."

Lima and El Callao houses more than one third of Peru's total population of 22 million inhabitants.

The measure suspends personal guarantees contained in the Constitution and delegates political and military control to the Armed Forces.

The measure was published today in the official newspaper EL PERUANO. The newspaper also publishes another measure that extends the state of emergency for 60 days in the provinces of Yungay, Carhuaz, and Recuay in the northern Andes department of Ancash.

On 16 March, the Defense Ministry extended for 60 days the state of emergency in four jungle provinces in the northern part of the country.

### State of Emergency in Cusco

*PY2003191494 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1838 GMT 20 Mar 94*

[Text] Lima, 20 Mar (AFP-NA)— The police reported today that at least one soldier was killed and three civilians injured in a clash that occurred on 19 March in the town of Puente Duran, Huanuco, 400 km east of Lima.

Through a decree published today the government has extended the state of emergency for another 60 days, as of today, in Cusco, a department located 1,300 km southeast of Lima, in order to continue conducting antisubversive operations in the region.

Through this measure, which encompasses the provinces of Paruro, Acomayo, Chumbivilcas, Canas, and Canchis, constitutional rights are suspended and the Armed Forces will continue to be in charge of public order.

According to the source, Army Sergeant Ricardo Sanchez, 19, was killed in the clash in Puente Duran. They added that three civilians were seriously injured when the military patrol clashed with about 100 insurgents who broke into the town to get food supplies.

The military command in the area is conducting a dragnet operation in the area to capture the insurgents who escaped into the jungle.

### National Police 'Unexpectedly' Dismantle Division

*PY1903010994 Lima EL COMERCIO in Spanish 9 Mar 94 p A12*

[Text] The Peruvian National Police [PNP] have unexpectedly ordered the dismantling of the Criminal Investigative Police and the Fiscal Patrimony Division in the interior. Personnel of the Counterterrorism Provincial Police (Jecote) have been significantly reduced, thus affecting the technical side of investigative work.

The personnel from these units, which formed a division and were headed by colonels (in regions) and commanders (in subregions), will now occupy administrative posts.

This absurd measure by the PNP has cut personnel and reduced the duties of the National Counterterrorism Directorate (Dincote), the National Criminal Investigative Directorate [Direccion Nacional de Investigacion Criminal—Dinincri], and the Fiscal Patrimony National Directorate.

On 4 March, the PNP issued Internal Resolution 2848-DGPNP/EMP, approving the PNP organization for this year. This entails substantial changes in the structure of the PNP, which was established by Legislative Decree No. 744 issued in 1991.

Sources have criticized the changes, stating that a resolution issued by the PNP director cannot modify a resolution issued by a higher institution. The biggest concern is that the changes have taken place in the provinces.

EL COMERCIO correspondents have reported that, for example, the Criminal Investigative Police and the Fiscal Patrimony Directorate have already been dismantled and the specialized investigative tasks that they carried out have been assigned to the local police stations which are short of personnel who, in turn, are not properly trained to do this job.

The source said that this measure represents a "green light" for delinquency in the interior because personnel at police stations are scarce and their logistic and investigative capabilities are well below that of criminals in the provinces.

Reduction of Jecote personnel and duties was also criticized because, although terrorist actions have decreased, one can hardly "sing victory" or afford to deploy personnel onto other duties.

Proof of this is that the Armed Forces continue in a "state of emergency" in many zones that have apparently been pacified. The military authorities, in a more responsible attitude, believe there is still work to be done in these areas.

The aforementioned resolution prompted the removal of 200 Dincote detectives specialized in counterterrorism, who will be placed at the disposal of the Public Order Directorate [Direccion de Orden Publico]. This means they will wear uniforms and be assigned to patrol the streets.

Dinincri functions have also been reduced. For example, the Kidnap Investigation Division (Didcol)—which handled cases of adult rape, seduction and rape of minors, procuring, and indecent assault—has been dismantled.

The departments and operation groups of five other Dinincri divisions have also been reduced. Three departments of the Division for Crimes Against Life, Body, and Health [Division de Delitos Contra la Vida, el Cuerpo, y la Salud] have been dismantled and only the Homicide Department is left. The same goes for the Theft Division.

The Contraband, Customs Tariff Evasion Division, and other divisions of the Fiscal Patrimony Directorate have been reduced.

As with Dincote, personnel that leave the units will be placed at the disposal of the Public Order Directorate or will be given administrative jobs.

## LA REPUBLICA: Opposition Strategy Should Focus on Fujimori Spending

*PY1803200894 Lima LA REPUBLICA in Spanish 8 Mar 94 p 6*

[Article by Mirko Lauer: "Privately Owned Dollars, Public Poverty"]

[Text] The image of Alberto Fujimori with money is a nightmare for some sectors of the opposition. IU [United Left] leader Cesar Barrera and APRA [American Popular Revolutionary Alliance] leader Abel Salinas have said the thought of Fujimori with privatization money has prompted the opposition to redesign its electoral strategy.

While the details of this redefinition are not clear, we must recall that the opposition strategy was based on an insolvent Fujimori, abandoned by voters who are fed up with the bruises of five years of structural adjustment. But even Barrera and Salinas seem convinced that the situation of Peruvians can be improved with the $1.4 billion from the phone company privatization.

They are right in that large sums of money always awaken hope and make imaginations fly. Even Barrera and Salinas are beginning to feel it, in their own way. Many believe—if only subconsciously—Fujimori was unable to improve the economic situattion merely because he did not have the resources with which to do it.

From the very beginning, however, Fujimori did have the funds for improving the people's situation, but he did not do anything. He preferred to repay the foreign debt at an unnecessarily high rate, which caused the productive sector to stagger. High interest rates, a low dollar rate, an open market, and low income are the trademarks of his economic program, which is still in foce.

It is true that the main issue is now the April 94-April 95 electoral year. Specialists know that channeling money to the poor in this type of system is very difficult, if not impossible. Governments that achieved this objective had to have a radically changed identity.

The announcement to construct 50,000 houses clearly depicts this situation. These houses are not for the homeless but for those who earn enough to contract a mortgage at market prices, or who want to move from a rented house to their own house. Many of these people, who have a monthly income of $300, could be long-standing Fujimori supporters.

But the construction of these houses may all the same help to reactivate the economy. What is not totally clear is whether a reactivated economy can help the increasing number of people who are choosing to vote for the opposition. Among other reasons, they are doing this because the new part of the economy is progressively becoming an enclave to strengthen internal inequalities instead of soothing them.

Rather than changing its strategy, the opposition must develop a strategy. We are sure Fujimori will not do anything to improve the situation of a vast majority because that would go against his very raison d'etre in the government. Fujimori will try to make his spending look as if it is for the benefit of the majority.

The best antidote against this might be to read the figures, rather than the headlines, and look at the daily lifestyle of the majority.

## EL COMERCIO: Lack of Time To Implement New Electoral System

*PY1903001694 Lima EL COMERCIO in Spanish 10 Mar 94 p A4*

[From the "Without Confirmation" column by Alfonso Baella]

[Text] The new Constitution provides for a new electoral system that comprises the National Elections Board, the National Electoral Processes Office [Oficina Nacional de Procesos Electorales], and the Identity and Civil Status National Registry [Registro Nacional de Identificacion y Estado Civil].

Supposedly, the Constitution must be respected. Therefore, this system should already have been implemented—as established by the Constitution itself—and planning, organization, and execution of the electoral processes, referendum, or other type of consultations

begun, as well as the maintenance and custody of a single registry of the peoples' identity and a registry of acts that modify people's civil status.

It all looks great in theory but in practice we find that we are in the wake of an electoral process—nothing less than presidential and congressional elections—and there is not enough time left to implement this entire mechanism.

What can be done about it?

Fulfill the terms of the Constitution word for word as some maintain, although this may entail that in the end—now that election day is almost here—one component or another of the electoral system will not function?

Or should we, as others propose, amend the new Constitution not more than three months after it was promulgated to temporarily suspend the enforcement of the new electoral system and thus let the National Electoral Board be in charge of the next elections?

This, too, entails many risks.

What would happen if the Constitution Committee were to approve the proposed constitutional amendment but the plenum were to reject it. If there is little time left now, as of April—which is when the issue will be debated—there will be even less time.

But supposing the plenum approves it, this constitutional reform would have to be submitted to a referendum—under what system?—if it is not sanctioned in two successive ordinary sessions with a favorable vote, in each case, more than two-thirds of the legal number of congressmen.

Neither alternative seems the most convenient or feasible.

The thing then would be to find a solution within the Constitution.

This solution is in a very brief final and transitory article, the 11th, that states: "Constitutional provisions that demand new and greater public expenditures will be applied progressively."

Won't the establishment of the Electoral Process National Office and the Identification and Civil Status Office demand "new and greater public expenditures?"

If the answer is yes, then there will be no other choice than—as the Constitution itself says—to interpret (one of the power's Congress has) the law in order to establish that these two components of the new electoral system be "progressively" established after the 1995 elections.

In the meantime, the National Electoral Board would be responsible for the development of the presidential and parliamentarian elections.

Another final and transitory article, the 10th, states: "The law establishes how the offices, officials, and servants of the Civil Status Registry of local government and of the Electoral Registry will be incorporated into the Identity and Civil Status National Registry."

Well, all we need is a law stating that this step should take place after the next elections.

These are two other subjects that legislators and Constituent Assembly members can discuss.

## Fujimori Explains Rejection of IMF Letter of Intent

*PY1803204394 Madrid EFE in Spanish 1551 GMT 17 Mar 94*

[Text] Lima, 17 Mar (EFE)—Peruvian President Alberto Fujimori reported that one and one-half months ago he rejected a letter of intent presented by the IMF "because it altered some of the objectives the government already had planned."

According to Fujimori, the letter of intent to be signed with the IMF must contemplate the special emphasis the government will give to investment in the social area.

He said: "Investment in the social area refers not only to investment in the fields of health and education, but also to improving the country's infrastructure, for example, by building highways."

For this reason, we must hold discussions with the IMF, he said. He added: "I am sure the IMF will understand the government objectives because we have pointed them out very clearly."

He said the first step was to implement an economic stabilization program, and the second step was to establish peace in the country. To implement these programs, however, "we also must seek social stabilization," as already has been explained to IMF Managing Director Michel Camdessus.

Fujimori said the social program is supported by the IMF, cooperating countries, and international financial organizations. This is why we want these issues to be included in the letter of intent, he added.

The Peruvian president made these comments on 16 March while visiting 1,400 members of the Ashaninka jungle tribe recently rescued from the Shining Path terrorist group at Satipo, in Peru's central jungle.

Economy Minister Jorge Camet pointed out that the government plans to invest $450 million in the 1994 social support program. He added that the IMF fears this large amount of money may force the dollar rate down and reactivate inflation.

A three-member IMF delegation arrived in Lima on 17 March to meet Fujimori and Camet.

Spanish Jose Luis Ruiz, a member of the delegation who will stay in Peru for 15 days, said the delegation will analyze the structure of the expenditures to be made by the government in social programs.

## Uruguay

### IMF Approves Government Economic Program for 1994

*PY1803201294 Madrid EFE in Spanish 0051 GMT 18 Mar 94*

[Text] Montevideo, 17 Mar (EFE)—Financial sources report that the IMF has approved the Uruguayan Government economic program for 1994. The program predicts a 36 percent inflation rate and a monetary devaluation of 27 percent for the year.

The forecasted inflation rate involves controlling prices: In 1993 it totalled 52.68 percent.

The planned monetary devaluation remains at previous levels; in 1993 it totalled 26.88 percent.

The IMF experts finished studying the economic program in early March. Next month the IMF board will analyze the economic situation in Uruguay.

Once IMF approval is received, Uruguay will have important support abroad that will create confidence among potential foreign investors and allow the country to obtain credit lines from other international organizations.

### Roundup of Economic Reports

*PY1803223194*

[Editorial Report] The following is a compilation of reports on economic activities in Uruguay monitored through 17 March.

The central government registered a $31 million surplus in January, which is substantially lower than the same month last year, when it was $71.7 million. The central government's fiscal deficit was $127.6 million in 1993. (Montevideo BUSQUEDA in Spanish 3 Mar 94 p 18)

The National Statistics Institute reported that in January the minimum salary was readjusted 2.36 percent for the private sector and 10.46 percent for public employees. The real salary increased 1.85 percent above the 3.41 percent January inflation rate. (Montevideo BUSQUEDA in Spanish 3 Mar 94 pp 22, 23)

The Inter-American Development Bank on 9 March approved a $30 million loan to implement a program designed to improve social, health, education, and labor policies, and to modernize court administration. (Montevideo EL PAIS in Spanish 10 Mar 94 p 12)

The executive branch eliminated the tax on the purchase of foreign currencies used for foreign exchange activities by public banks. The banks affected by the measure are the Uruguayan Central Bank, the Bank of Uruguay, and the Uruguayan Mortgage Bank. (Montevideo Radio Carve in Spanish 0000 GMT 17 Mar 94)

## Venezuela

### Health, Social Welfare Minister Resigns

*PA1903002394 Caracas EL GLOBO in Spanish 18 Mar 94 p 46*

[Article by Liz Martinez]

[Text] Health and Social Welfare Minister Vicente Perez Davila presented his irrevocable resignation yesterday. Health problems related to his gastrointestinal system have forced the minister to resign.

Perez Davila coordinated the health area of President Rafael Caldera's government and later headed the liaison commission with the Health and Social Welfare Ministry.

In spite of his youth and having a good professional record, today Perez Davila is leaving the ministry for health reasons. He expressed his regrets to President Rafael Caldera. It was learned yesterday morning that Perez Davila sent a letter to the president of the Republic in which he explained the reasons for his resignation. In that letter he told President Rafael Caldera that he is sure the work of the new authorities at the Health and Social Welfare Ministry will be successful, because the persons working in the ministry are highly qualified and motivated.

President Caldera will now have to appoint a new health and social welfare minister, which must be a person highly qualified to direct a ministry confronting a serious hospital crisis.

### Caldera Announces Bill To Partially Reform Emergency Law

*PA2003145494 Caracas EL DIARIO DE CARACAS in Spanish 11 Mar 94 p 21*

[Article by Alcides Castillo]

[Text] When President Rafael Caldera enacted the Emergency Banking Law, he announced that he would immediately present a short draft bill to the legislative assembly to partially reform the law, arguing that some of the provisions could cause difficulties in cleaning up the national financial system.

The president made this announcement after signing the law in the Ayacucho room, Miraflores Palace. Ministers of the Executive Cabinet; members of the board of directors of the national Congress, represented by Eduardo Gomez Tamayo and Carmelo Lauria, president and vice president, respectively; chiefs of the Convergence Party, Movement Toward Socialism, Democratic Action, and Christian Democratic Party parliamentary wings; Jose Baouza Izquierdo, president of the National Banking Board; and deputies and senators who are members of the finance commissions of the legislative branch were present for the signing. Ruth de Krivoy, president of the Central Bank of Venezuela; Deputy Walter Marquez, vice president of the commission

investigating the Banco Latino case; and Gustavo Roosen, president of the Banco Latino intervention board, were also present.

The head of state said the national government will immediately submit a bill to the legislative chambers for partial reforms to the law "because the government believes some of the approved provisions show that, given the lack of time and the praiseworthy urgency with which Congress passed the bill, they were not properly studied regarding the possible consequences some of the norms might have. Instead of helping to stabilize the Venezuelan financial system, which is what everyone is worried about, the bill could prevent achieving this goal."

Caldera said he is sure the atmosphere of dialogue and cooperation, which has prevailed among the state branches in connection with the bill, will allow the government to receive proposals relating to this matter. He said the promulgation of the law is encouraging for those who have watched with anguish their personal situation in connection with the Banco Latino crisis. "I have not hesitated to call this crisis a veritable cataclysm, the extent of which has surpassed what was initially calculated when President Ramon J. Velasquez decreed the bank's intervention." The president said the action is the first step in the so-called Solidarity Pledge, in which all public and private sector organizations are striving together to counter this critical, difficult, and complex situation.

Gustavo Tarre Briceno, chairman of the Chamber of Deputies' Finance Committee, referred to the law's partial reforms and said it deals with the "most urgent things," including a Public Credit Law for 400 billion bolivares to finance the Emergency Law provisions. The bill, however, will be reviewed calmly with the assurance that the account holders' and depositors' emergency has been met and modifications can be made in a more calm fashion.

Congress President Eduardo Gomez Tamayo said he will wait until the government proposals are analyzed before he decides to declare the partial reforms bill a constitutional emergency. Gustavo Roosen, chairman of Banco Latino's Board of Trustees, said several of the articles are questionable because they make the board's work difficult.

## Chamber of Deputies Approves Bill Funding Emergency Banking Law

*PA1903015294 Caracas EL UNIVERSAL in Spanish 16 Mar 94 pp 1, 15*

[Text] The Chamber of Deputies last night approved in the first debate the Public Credit Draft Bill totalling 400 billion bolivares, which will supplement the newly approved Emergency Banking Law.

The report, which was presented and prepared by the Permanent Finance Commission, was submitted to the lawmakers in the lower chamber for analysis. It received the support of all parties forming the commission, but in the chamber vote the Radical Cause Party legislative wing voted against it.

In their speeches, representatives of the different legislative factions explained that it was meaningless to approve the Emergency Banking Law without approving the Public Credit Draft Bill, which will permit Fogade [Deposit Guarantee Fund] to disburse the necessary resources to aid all financial institutions in need of assistance. This assistance will be given by issuing public debt bonds totalling 400 billion bolivares.

Deputy Jose Miguel Uzcategui said the Permanent Finance Commission discussed various financing options for the law, such as tax reforms, issuing currency, and adopting budget measures. He added that the most expeditious, convenient, and orthodox way of generating resources is by going into debt, a debt that will not have an impact on the market and will not produce inflationary effects unless Fogade's authorized capital is increased. Uzcategui said that the issue will be discussed today by the commission, who will review the observations made at the Chamber. He added that during the afternoon session the bill will be approved in the second debate.

Gustavo Tarre Briceno, chairman of the Permanent Finance Commission, said that the Executive Branch is issuing public debt bonds and placing the money at Fogade. Tarre Briceno said it is not a matter of spending 400 billion bolivares but of seeking the mechanisms to create greater confidence among savers and depositors throughout the country, offering 400 billion bolivares to support their savings as well as generating confidence again in the Venezuelan financial system.

## Fogade To Allow Certain Banks To Manage Banks With Difficulties

*PA1803222994 Caracas EL NACIONAL in Spanish 16 Mar 94 p E1*

[Report by Fabiola Sanchez]

[Text] The Fogade [Deposit Guarantee Fund] has agreed to open a bidding process to let national banks manage assisted financial entities, sources in that institution have stated. In that respect, it agreed to begin talks with the representatives of banks to define the list of financial entities that will participate in the bidding process.

That proposal is part of the overall rehabilitation plan Fogade will impose on all banks that are under the financial assistance program. Initially, Fogade had studied the possibility of including 11 banks in the process, but the board members agreed to decrease the number to eight.

The conditions under which banks will take over the administration of assisted banks have not yet been defined, but the plan calls for temporary external supervision until the institutions recover their stability.

During a 9 March meeting, the Fogade board members considered for the first time the possibility of letting national banks with a greater solvency manage the assisted banks. Serious differences arose among the board members regarding the proposal. Some felt that letting the major banks manage the assisted banks would generate legal problems, since the process may be at odds with the content of the law to promote free competition.

Next Friday, the Fogade board will study the rehabilitation plans that will be established on the Maracaibo, Construccion, Barinas, Metropolitano, La Guaira, and Sociedad Financiera Fiveca banks.

The Banco Barinas Bank, one of the assisted entities, has made great strides in its rehabilitation plan. On this matter, it was reported that this bank will apply the following measures:

—Merge Banco Popular with Banco Barinas.

—Cut costs by 40 percent.

—Sell some Banco Barinas assets, including its headquarters in Castellana.

—Allow the contribution of capital by the partners.

Regarding the Banco Metropolitano rehabilitation plan, it was reported that its board members are considering selling assets, reducing the managerial staff, and permitting new contributions of capital.

Banco Metropolitano has already begun talks with a group of national and foreign banks to get those entities to become partners of this institution. In addition, the Fogade board named Manuela Daria and Angel Magdaleno as the administrators of Banco Hipotecario de Occidente.

## Students Clash With Police for Third Day, Destroy Property

*PA1803223194 Caracas EL NACIONAL in Spanish 17 Mar 94 p D12*

[Article by Elides J. Rojas]

[Text] Barquisimeto—Students and police clashed in violent street disturbances in various parts of the city for the third consecutive day. The students stoned three vehicles, destroyed a vegetable market, burned tires, and threw stones. Police responded by throwing tear gas.

Most of the demonstrators were students at the city's high schools and at the technical-industrial school near Libertador, Vargas, and Los Abogados Avenues. This time, however, the demonstrations spread to other areas of downtown Barquisimeto, causing traffic jams. Local store owners decided to close their doors this morning to avoid further damage.

The students continued to protest the implementation of the half bus ticket fare. Miguel Parra, policy director of the regional executive, said demonstrators from other states were present and described them as professional rabble rousers. Three injured students were reportedly taken to Central Hospital emergency room, which is in an area where clashes have occurred. Access roads to the hospital have been closed, which has created problems for patients and hospital personnel, who have suffered the effects of tear gas.

The demonstrators vandalized a beer truck on Libertador Avenue and two public buses. Other groups looted a vegetable and fruit market.

In view of the violence—already in its third day—Professor Pablo Sanchez, director of the educational district, announced the suspension of classes in high schools that have been the focal points for disorder. The measure will be applied to all schools that become involved in demonstrations.

## Classes Suspended in Monagas Following Student Protests

*PA1903034194 Caracas EL GLOBO in Spanish 18 Mar 94 p 47*

[Text] Maturin—Education authorities in Monagas State decided on Thursday to suspend classes until further notice "given the students' continuous protests in the city. The protests were provoked by an increase in public transportation fares. [no closing quotation mark as published]

Monagas State Education Director Lidee de Ascanio made the announcement, saying that "the suspension of education activities applies to the kindergarten, elementary, and junior and senior high school levels in all public schools in the state."

Ascanio also urged representatives and members of the education community to honor the decision until the state's public transportation situation returns to normal.

A tense atmosphere prevailed in the city yesterday following the recent protests.

## Government Appoints Giusti Lopez New Petroven President

*PA1903044694 Caracas Venezolana de Television Network in Spanish 2350 GMT 18 Mar 94*

[From "The News" newscast]

[Text] Luis Eduardo Giusti Lopez has been appointed the new president of Venezuela Petroleum Inc. [Petroven] to replace Gustavo Rooser, who will continue to head the intervention committee at Banco Latino.

Giusti entered the oil industry in 1966 through Shell of Venezuela, which preceded Maraven, S.A. He has held numerous positions in the areas of production, oil bed engineering, and planning both in Shell and Maraven.

In the announcement about Giusti's appointment, it was reported that 2,170,000 barrels of crude oil per day, at an average price of $13.34 a barrel, were exported from Venezuela in 1993. In other words, the volume exported in 1993 exceeded 1992 exports by 116,000 barrels daily. It was also said that the sales of gasoline produced by the subsidiary (?Cyclop) Petroleum in the United States increased by 7 percent.

In the refineries located on Venezuelan territory, 950,000 barrels of oil were processed daily. The Amuay refinery processed 440,000 barrels daily; the Cardon refinery, 265,000; the Palito refinery, 100,000; and the Puerto la Cruz refinery, 141,000 barrels daily. The production of diesel with 0.05 percent sulfur began in the Amuay refinery during this period. In addition, the Palito refinery started producing oxygenated gasoline to meet the new environmental demands stipulated by the U.S. market.

In addition, Rossen, head of the Banco Latino intervention board, said that a plan to refloat the bank is under way. He asked the bank's depositors to keep calm.

[Madrid EFE in Spanish at 2340 GMT on 18 March reports that, according to Energy and Mines Minister Erwin Arrieta, President Caldera on 18 March removed the entire Petroven board of directors and appointed Giusti].

## Supreme Court Appoints Military Court Members

*PA1903152394 Caracas EL DIARIO DE CARACAS in Spanish 18 Mar 94 p 10*

[Text] According to unofficial reports, the Supreme Court of Justice, during a plenary session, has appointed the members of the Military Court for the 1994-99 term.

Army General Juan Manuel Bogado Velasquez was appointed Military Court president, replacing Gen. Ubaldo Jose Lopez Barrios.

The magistrates have appointed as nonvoting members Navy Captain Francisco Hedia Robledo and Army Colonel Ramon Moreno Natera, an investigator in the 4 February events. The third nonvoting member will be an Air Force officer yet to be appointed.

The court liaison will be selected from among these three officers, and the court reporter will still be Navy Captain Freddy Jose Ribas Pacheco, an investigator of the 27 November events and of some of the most important cases in military justice. Navy Captain Francisco Ortega Jugo will be assistant reporter. Ortega is currently a Defense Ministry legal adviser and was a Permanent War Council magistrate in Caracas.

## President Caldera Continues To Pardon Military Coupists

*PA2003154794 Caracas Venezolana de Television Network in Spanish 2350 GMT 19 Mar 94*

[From "The News" newscast]

[Text] Just as expected, President Rafael Caldera, who has maintained his pacification policy, has pardoned additional military groups linked to the 27 February [1992] coup attempt. At 1330, Lieutenant Colonel Jesus Urdaneta Hernandez, Major Pedro Emilio Alastre Lopez, Captain Wilmer Barrientos Fernandez, Capt. Miguel Rodriguez Torres, Capt. Luis Henry Jatar, Lt. Oscar Carrizal Flores, Lt. Florencio Porras Equezuria, and Lt. Nicolas Tejas Arrieta were freed. The usual gestures of happiness could be seen among friends and relatives awaiting them at the doors of the San Carlos headquarters from where they were transferred to their respective posts.

Only two were discharged: Lt. Urdenta Hernandez and Maj. Alastre Lopez. Reporters waited in vain for two hours for the announced statements by Lt. Col. Urdaneta, who decided to quickly leave the area instead. Only 29 cases remain, and they expect to be pardoned in the coming weeks.

## Government To Study Possible Oil Supplies to Cuba

*PA1903190494 Madrid EFE in Spanish 2246 GMT 18 Mar 94*

[Text] Caracas, 18 Mar (EFE)—Official sources confirmed today the Venezuelan Government will study the possibility of renewing oil supplies to Cuba based on an agreement with Russia.

Venezuela supplied between 60,000 and 70,000 barrels of oil per day to Cuba up to the latter part of 1991, based on an agreement in which the former Soviet Union supplied a similar amount of oil to the refineries of state-owned Venezuelan Petroleum in Europe.

Venezuelan Energy and Mines Minister Erwin Arrieta said the possibility of renewing this agreement "is an international policy decision" which the Venezuelan Foreign Ministry will handle.

The initial agreement was suspended after the Soviet Union disappeared, but both Russian and Cuban authorities, who have visited Venezuela, have expressed their interest in renewing the agreement.

Arrieta did not reveal if the agreement will continue under the former premises. A Russian delegation that visited Venezuela in late 1993 reported the idea is for Cuba to pay for the oil by supplying them with sugar.

Venezuelan Foreign Minister Miguel Angel Burelli Rivas said this week Cuban authorities have "a great interest" in reaching an agreement on this matter and that it will be one of the topics to be discussed during Russian Prime Minister Viktor Chernomydin's visit to Venezuela in June.